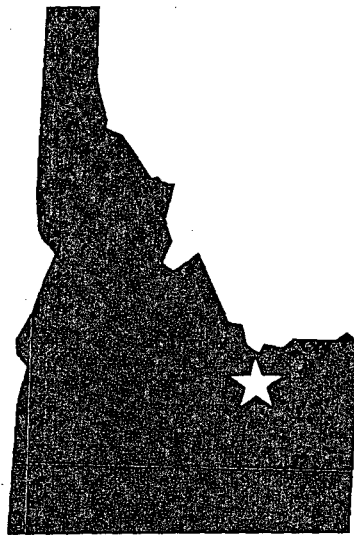


The Department of Energy

Idaho Operations Office

***FY 1995—1997 Work Force
Restructuring Plan***



**Idaho National
Engineering Laboratory**

May 10, 1996

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	1
A. PREFACE	1
B. EXECUTIVE SUMMARY	2
C. BACKGROUND	3
1. Historical Perspective	3
2. Contribution to the Community	4
3. Capabilities	4
D. CHANGING PRIORITIES	7
II. PLANNING	8
A. THRESHOLD OF PLANS	8
1. Covered Reductions	8
2. Applicability	8
3. Eligibility	9
B. TIMING OF PLANS	10
1. Employee Notification	11
2. Worker Adjustment and Retraining Notification (Warn) Act	11
C. WORK FORCE PLANNING	11
1. Objectives of the DOE-ID INEL Work Force Restructuring Plan	11
2. Skills Inventory	12
3. Baseline DOE Data and Reporting Requirements	13
4. Assessment of Skills Needed at DOE-ID INEL	13
5. DOE-ID INEL Work Force Planning Strategy	13
D. LOCAL IMPACT ASSISTANCE TO COMMUNITIES	15
1. Recent Community Assistance -- Initiative 2000	15
2. The Community Reuse Organization	16
3. Other Community Assistance	19
III. ROLES AND RESPONSIBILITIES	19
A. STAKEHOLDER INPUT	19
1. Process for Soliciting Stakeholder Input	19
B. DOE RESPONSIBILITIES	20
C. THE ROLE OF DOE CONTRACTORS	20
1. Information and Implementation	20
2. Communications	20
IV. RESTRUCTURING PROGRAMS	21
A. EARLY RETIREMENT INCENTIVE PROGRAM (ERIP)	21
B. VOLUNTARY SEPARATION INCENTIVES (VSP)	21
C. UNION INVOLVEMENT IN VOLUNTARY SEPARATION PROGRAMS	22
D. INVOLUNTARY SEPARATION PROGRAM	22
E. MANAGED ATTRITION	23

F.	PRIVATIZATION	23
V.	ASSISTANCE AND BENEFIT PROGRAMS	24
A.	EDUCATIONAL ASSISTANCE AND RETRAINING PROGRAMS	24
1.	Objectives	24
2.	Tuition Assistance for Displaced Employees	24
3.	Retraining for Retained Employees	25
B.	RELOCATION ASSISTANCE	27
C.	DISPLACED WORKERS MEDICAL BENEFITS	28
D.	HIRING BENEFITS	28
1.	Order of Preference	28
2.	Implementing Procedures	29
3.	Subcontracts and Implementation of the Hiring Benefits	31
E.	THE OUTPLACEMENT CENTER	31
1.	Facilities and Personnel	32
2.	Job Opportunities Bulletin Board System (JOBBS) and Implementation of the Hiring Preference	32
3.	Initial Services Offered	33
4.	Job and Career Counseling and Training	34
5.	Related Services	34
6.	Employee Assistance Program	35
7.	Communication Program	36
F.	CONSTRUCTION WORKER BENEFITS	36
G.	OTHER OPTIONS	37
VI.	FUNDING FOR PLANS	37
VII.	APPROVAL AND UPDATE OF PLANS	41
A.	APPROVAL OF THE PLANS	41
B.	PLAN UPDATES	42
	APPENDIX A - 1995 SECTION 3161 ACTIVITIES	A-1
	APPENDIX B - VOLUNTARY SEPARATION PAYMENT PROGRAM GENERAL RELEASE AND WAIVER.	B-1
	APPENDIX C - SUBCONTRACT CLAUSE	C-1
	APPENDIX D - STATEMENT OF INTEREST FORM	D-1

I. INTRODUCTION

A. PREFACE

The Idaho National Engineering Laboratory (INEL)¹ is refocusing its mission. Providing national solutions to all aspects of nuclear technologies and supporting defense programs has given way to a new mission. The INEL is now being called upon to develop, demonstrate, and deploy advanced engineering technology and systems to improve U.S. competitiveness and security, the efficient production and use of energy, and the quality of life and the environment worldwide.

Additionally, the Department of Energy (DOE) determined that increased operating efficiencies and economies of scale can be achieved by changing the management of the DOE-ID INEL from a multi-contractor environment to a single, performance-based management contract. Thus, on October 1, 1994, DOE-ID folded five previous management and operating (M&O) contracts into one prime contract with Lockheed Idaho Technologies Company (LITCO). Given the mission adjustments, the consolidation of the DOE-ID INEL contracts, and budgetary pressures, a potential reduction in DOE-ID INEL employment of up to 2250 individuals, may be necessary in Fiscal Years (FY) 95 through 97. During FY 95, 1211 employees at DOE-ID INEL elected to separate pursuant to the Voluntary Separation Program (VSP) and Early Retirement Incentive Program (ERIP), and 281 additional employees separated through normal attrition.

This Plan sets forth policies and procedures for work force restructuring at DOE-ID INEL during FY 96 and 97. Work force restructuring actions that took place during FY 95, while this Plan was being developed, are discussed in the Appendix to this Plan. Amendments to this Plan will be provided if any significant changes in benefits or in the restructuring plan are implemented. Amendments will be issued for stakeholder comment, and public meetings will be held before they are added to the base plan as a permanent change. Annual updates to the Plan will also be provided as required by Section 3161.

¹ **NOTE:** Programs at the INEL are managed and operated by multiple Department of Energy (DOE) Field Offices and multiple contractors. For reading ease, the following definitions are provided:

INEL - The entire laboratory, regardless of DOE Operations Office or contractor.

DOE-ID INEL - Operations managed by DOE-ID and performed by ID Contractors. This includes Lockheed Idaho Technologies Company's (LITCO) teaming partners, Coleman Research Corporation; Babcock & Wilcox, Inc.; Duke Engineering & Services, Inc.; Rust Federal Services of Idaho, Inc.; Thermo Technology Ventures; and Parsons Environmental Services, Inc.; and LITCO subcontractors

DOE-ID - The DOE Idaho Operations Office, the DOE Office responsible for oversight of the DOE-ID INEL (Defined above).

This plan does not include any restructuring activities that may be contemplated at either Argonne National Laboratory-West (ANL-W) or the Naval Reactor Facilities (NRF), which are INEL facilities managed by the Department of Energy's Chicago Operations Office and the Pittsburgh Naval Reactors Office, respectively.

This Work Force Restructuring Plan for DOE-ID INEL has been prepared after consultation with employees, appropriate representatives of state and local governments, and area stakeholders to comply with restructuring requirements as established by Section 3161 of the National Defense Authorization Act for Fiscal Year 1993, P.L. 102-484 (Section 3161 of the Act), and applicable Secretary of Energy directives. Our challenge is to maintain an equitable balance as we manage this restructuring, minimizing, as much as possible, the impact on individuals and on the communities surrounding the INEL.

This final plan differs in certain material respects from the draft plan that was previously circulated for stakeholder comment. Where there are differences, this document controls.

B. EXECUTIVE SUMMARY

The purpose of this document is to set forth plans for responding to the changing mission and contractor structure by: assisting displaced and redeployed workers; mitigating the social and economic impact to communities affected by the loss of jobs in FY 95 and beyond; and restructuring the work force for the emerging mission.

The benefits offered in this plan are consistent with the authority granted in Section 3161 and the implementing policy and directives of the Department, as well as with applicable funding constraints. **Modifications to this plan or to plan benefits may be required if circumstances change, e.g., if there is a change in implementing policy or in funding constraints. It is not the intent of DOE in implementing this Work Force Restructuring Plan to create any private right of action, or to modify obligations imposed upon employers or employee representatives by law, executive order, or contract.**

Section 3161 directs the Secretary to develop, with input from affected stakeholders, a plan for work force restructuring upon a determination that a change in the work force is necessary. The objectives of such a plan are to minimize involuntary separations, reduce the social and economic impact on individuals who are involuntarily separated, and mitigate the detrimental effects of restructuring on the surrounding communities. As set out in detail below in the body of the Plan, the Plan for work force restructuring for the DOE-ID INEL carries out these objectives through such means as:

- Internal transfers to job openings within the DOE-ID INEL contractor work force where employees can perform the work required with retraining or reorientation

as practicable in the circumstances and consistent with the hiring benefits discussed below.

- Voluntary reduction programs designed to encourage retirement or separation in order to reduce the risk of involuntary separations.
- Retraining assistance for both internal and external job opportunities based on needs analyses.
- Implementation of a continuing rehiring preference for involuntarily separated employees meeting eligibility requirements.
- Outplacement assistance for eligible employees to maximize job placement externally when internal placement or retraining programs are not practicable.
- Consultation and coordination with the community and area stakeholders in the development of the Work Force Restructuring Plan to assure that avenues of assistance are available for affected workers and that the objectives of Section 3161 are otherwise met.

This plan also summarizes work underway to transfer technology to private sector applications to bolster employment growth in the local economy.

C. BACKGROUND

1. Historical Perspective

What became the Idaho National Engineering Laboratory is located on 890 square miles in the southeastern Idaho desert. The southeastern Idaho location was selected because it was remote, large and unpopulated. In 1949, the site was designated as the National Reactor Testing Station (NRTS) to conduct nuclear research and development and nuclear-related defense work for the Atomic Energy Commission.

The laboratory has been the site of many key achievements in the development of nuclear technology. In 1951, one of the most significant scientific accomplishments of the century occurred here: the first use of nuclear fission to produce usable electricity at Experimental Breeder Reactor No. 1 (EBR-I). EBR-I is now a Registered National Historic Landmark. Boiling water reactor prototypes and the first pressurized water reactor were built and operated at the INEL in the 1950's. One reactor, Borax III, was the first to light a city (Arco, Idaho) in 1955. In 1974, the NRTS was renamed as the INEL in order to better

at current projects, which now include research engineering for both nuclear and non-nuclear energy programs.

On October 1, 1994, the management and operation of programs and facilities under the direction of DOE-ID was consolidated in LITCO.

The INEL now contains nine nuclear research and development facilities and the largest concentration of nuclear reactors in the world. Fifty-two reactors, most of them first-of-a-kind, have been built here, including the Navy's first prototype nuclear propulsion plant.

2. Contribution to the Community

As of October 1, 1994, the INEL as a whole (including ANL-W and NRF) employed approximately 12,000 people, including part-time, and subcontractor employees. This represents approximately 2.5 percent of the total work force of the entire State of Idaho. The INEL work force comprises the largest concentration of technical professionals in the northern Rocky Mountain region. More than 1,300 employees hold engineering degrees. About 600 have science degrees, mostly physical science, and more than one employee in three has a college degree. INEL employees are active in civic and community affairs and volunteer in educational and charitable programs.

The annual budget for the INEL is approximately \$1 billion, but that level of funding may decrease in the foreseeable future. In addition to the INEL's substantial payroll contribution to Idaho's economy, the INEL generates approximately \$35 million each year in various tax revenues to Idaho. The INEL and its employees significantly influence Idaho's social and economic welfare. Consistent with the intent of Section 3161, this Plan includes steps to mitigate the impact on the local community of work force restructuring at the INEL.

3. Capabilities

Over the past 45 years, the employees of the INEL have made strong technical contributions in the areas of energy availability, waste management and environmental restoration; defense systems; nuclear reactor safety, research and testing; and a wide variety of other technologies critical to U.S. competitiveness and security. Core competencies at INEL include:

- Integrated Engineered Systems,
- Environmental Technology and Waste Management,

- Chemical, Biological, and Advanced Materials Processing,
- Nuclear Science and Engineering, including Testing and Operations.

Within these core competencies, the INEL has developed the following key capabilities:

a. Materials and Biological and Chemical Processing Technology

Advanced processing technologies use physical, biological, or chemical technologies and produce materials with enhanced characteristics for special applications. Examples of biological processing are microbial systems for biodegrading organic materials, leaching and concentrating metals from minerals, processing coal and recovering heavy oils, and producing industrial chemicals from biomass. Examples of materials and chemical processing are systems for processing high-level radioactive waste, new materials and processes for synthesizing chemicals, supercritical processes for textile industry wastes, and inorganic polymers for membrane separations in harsh environments.

b. Advanced Manufacturing

To meet advanced manufacturing needs, we are working with industry to adapt a variety of processes that have been developed at the INEL. For example, near-net-shape-forming applications using INEL spray forming technology are being developed for automotive research. The INEL is evaluating the effect of rapid solidification processing for advanced manufacturing of specialized batteries. In addition, the INEL is developing an in-flight particle pyrometer for measuring characteristics of particles in an industrial spray environment. This pyrometer will be used for real-time process control in spray coating applications. The INEL has also commercialized a sensor-based control system for remote welding.

The INEL has designed and now operates the Specific Manufacturing Capability (SMC) facility to manufacture armor. The SMC facility manufactures large metal sheet from dense metals such as depleted uranium using computer-controlled processing equipment.

c. Remote Handling and Process Automation

The INEL provides remote handling and process automation capabilities through an extensive robotics program directed toward waste handling, accessing confined and hazardous areas, and performing repetitive tasks.

d. Radioactive and Hazardous Waste Management

The INEL treats, stores, and disposes of wastes generated by the INEL and other sites. Activities include disposing of INEL low-level waste, processing high-level waste, and storing and certifying transuranic waste for eventual shipment to the Waste Isolation Pilot Plant in New Mexico. The INEL has been designated the lead support laboratory for the National Spent Nuclear Fuel Program.

e. Materials Irradiation and Isotope Production

Irradiation and testing of advanced materials is performed in the Advanced Test Reactor. During the materials irradiation process, vital radioactive isotopes such as Cobalt-60, Krypton-85, and Iridium-192 are produced for medical, industrial, and defense applications. Irradiation services are also provided for developmental materials for use in nuclear applications.

f. Earth and Environmental Sciences

INEL capabilities include field measurement, evaluation, and geoscience and engineering techniques to characterize the subsurface site facilities and to assess oil and mineral resources. Examples include contaminant plume monitoring; subsurface characterization; improving agricultural efficiency; assessing seismic, volcanic, and environmental risk assessment; and developing naturally occurring solvents to remove contaminants from soils.

g. Instrumentation and Sensors

A wide range of instrumentation and sensors for measurement and control of complex systems has been developed and applied to waste management, environmental restoration, reactor operations and experiments, arms control and nonproliferation, and regulatory compliance.

h. Safety and Risk Assessment

Safety and risk assessment is a capability that has evolved at the INEL beginning with safety analyses for test facility operation and risk studies of commercial nuclear power plants. More recent applications have included environmental risk assessments and evaluations of safety and risk for other complex technical systems.

i. Simulation and Software Development

Process simulations have been developed and applied using advanced numerical techniques and engineered software. Advanced software has been developed and engineered for a wide range of applications, including communications, command, and control for battlefield management. Simulation codes have been developed for nuclear applications including reactor thermal hydraulic and severe accident safety research, fuel performance assessment, and fusion.

j. Human/System Integration

The INEL has significant expertise in integrating operators and maintenance personnel in the design, production, training, and operation of complex systems. This capability had been applied to design and safety analysis of INEL facilities, development of procedural guidelines, accreditation of training programs, research on human error, incident investigation in nuclear and medical facilities, and certification of reactor operators.

k. Testing and Proof of Principle

Over the years, the INEL has been involved in a wide range of testing activities, including full-scale nuclear safety testing in operating nuclear reactors, prototype testing of national security and defense applications, and proof of principle of environmental and waste management applications.

D. CHANGING PRIORITIES

A complete analysis of current and future priorities is dependent upon the availability of funding, Congressional direction, and changes in programmatic direction which can not be fully anticipated at this time. DOE-ID INEL will continue to demonstrate leadership in adapting effectively to the current economic, programmatic, and environmental challenges by applying its distinct set of core competencies to the following worldwide critical needs:

- Energy Efficiency and Renewable Energy
- Advanced Technology and Methods
- Waste Management and Minimization

- Environmental Engineering and Restoration
- National Security and Defense
- Nuclear Technologies

II. PLANNING

In accordance with DOE interim guidance, work force restructuring and planning activities have been developed and managed by DOE. This Plan is intended to be responsive to the specific objectives of Section 3161 and to budget constraints, and to be reasonable in view of contractual provisions, stakeholder input, and other obligations. Budget uncertainties, in particular, make detailed, long-range projections extremely difficult.

A. THRESHOLD OF PLANS

1. Covered Reductions

DOE interim planning guidance for contractor work force restructuring requires a work force restructuring plan whenever 100 or more management and operating employees at a site are affected by work force restructuring within a 12-month period. **DOE Directive 3309.1A, "Reductions in Contractor Employment," requires advance Secretarial approval of involuntary separations of 100 or more management and operating employees at a single site.**

2. Applicability

All DOE-ID prime contractors, current or future, performing work at the INEL site, will be required to comply with Section 3161, as well as with DOE Directive 3309.1A if applicable. This plan applies to employees of contractors and subcontractors at the DOE-ID INEL who meet the eligibility criteria set forth below. Eligibility for specific Section 3161 benefits has been tailored to meet the circumstances at the DOE-ID INEL, e.g., policy regarding breaks in service, as discussed below. Although Section 3161 applies to all contractor and subcontractor employees, it does not necessarily provide all of them with the same benefits. Benefits for employees of subcontractors and intermittent construction workers who meet the eligibility criteria listed below will, however, be managed consistent with applicable DOE planning guidance. At present, because of differences in the relationship of subcontractor and intermittent employees to the site, as opposed to that of M&O employees, it is anticipated that benefits for such employees would be generally limited to hiring benefits and use of the

Outplacement Center. However, certain "force account" construction workers² who meet eligibility requirements will also be entitled to the educational benefits contained in this Plan, and all construction workers who meet eligibility requirements may also elect a one-time benefit in lieu of hiring benefits.

3. Eligibility

Regular employees are employed for an indefinite period with no specified ending date. Such employees include full-time and part-time employees.³ To be eligible to receive the Section 3161 hiring benefits and other benefits, regular employees must have been:

- Employed in a full-time or part-time, regular capacity at a DOE defense nuclear facility on or before September 27, 1991;
- Employed at the INEL on the date a 120-day work force restructuring notice was given for a specific work force reduction; and
- Involuntarily separated. (However, employees who have been specifically identified for separation will be entitled to a placement preference described later in this Plan.)

Individuals qualifying under this category may have had a single break in service of one year or less. Temporary employees are not covered in this category.

Intermittent employees are employed in trades, the nature of which results in repeated periods of employment and unemployment, e.g., the construction trades.

The following eligibility test applies to employees whose work at the facility is intermittent:

² "Force account" construction workers are INEL construction workers who have earned their livelihoods exclusively as employees of a site M&O contractor (e.g., MK-Ferguson Idaho, Inc. and LITCO). Such workers have, except for short periods of inactivity between projects or because of inclement weather, had a continuous, long-term employment history at the site.

³ Full-time employees normally work a standard work schedule of approximately 40 hours per week. They are eligible for the full complement of available benefits.

Part-time employees may be hired for non-managerial assignments on a less than full-time basis. A part-time employee could work an occasional 40-hour week, but would not do so regularly. For payroll purposes, the salaries of exempt employees working part-time are converted to hourly rates, regardless of job classification. Part-time employees are usually eligible for the benefits provided to regular, full-time employees on a proportionate basis. Represented part-time employees qualify for benefits as provided through their working agreement.

- Employed at any DOE defense nuclear facility on or before September 27, 1991;
- Must have worked at the facility within the 180 days preceding an applicable work force restructuring notification;
- An employee must have worked at a facility a total time, including time worked prior to September 27, 1991, equivalent to an employee having worked 40 hours per week from September 27, 1991 to the date of a 120-day notification, or have worked the industry standard of full-time from September 27, 1991, through the date of the 120-day notification; and
- An employee must have been affected by the announced restructuring within a reasonable period of time (one year). This includes the interruption of a project before its anticipated completion, or the completion of the assignment or project without prospect for a follow-on assignment at the site where the employee had a reasonable expectation of a follow-on assignment.⁴

Temporary employees are hired for an assignment of specific duration, usually six months to one year. They do not have a reasonable expectation of employment beyond that period and may not meet the Section 3161 eligibility test. However, full-time temporary employees who do meet the eligibility test may qualify for a subset of the benefits provided to regular, full-time employees. Represented temporary employees qualify for benefits as provided through their working agreements.

Future amendments to this plan could change eligibility criteria.

B. TIMING OF PLANS

A key objective of Section 3161 is that the workers and the community be provided with notice of a pending work force restructuring 120 days prior to the involuntary separation of any employee.

⁴"Force account INEL construction workers who meet eligibility requirements and who are the subject of a permanent involuntary separation from their "force account" positions with the M&O contractor will be entitled to the educational benefits contained in this Plan, in addition to use of the Outplacement Center and hiring benefits.

1. Employee Notification

We recognize that any planned reduction in employment levels at DOE-ID INEL could cause a high level of anxiety within our work force. To minimize this anxiety, we will endeavor to communicate frequently, openly, and honestly with our employees.

2. Worker Adjustment and Retraining Notification (Warn) Act

This statute (Public Law 100-379) requires that appropriate written notice be provided in a mass layoff or plant closing (as defined by the statute). Program funding levels and employee participation in any voluntary reduction in force will affect the number of employees impacted by an involuntary reduction in force. When the actual number of employees to be involuntarily terminated is determined, the contractor, in consultation with DOE, will determine the applicability of WARN Act requirements. Upon such determination, the contractor will comply with the applicable notification requirements and with DOE Directive 3309.1A.

C. WORK FORCE PLANNING

At the direction of and subject to the review of DOE-ID, the predecessor M&O contractors surveyed their employees to develop an inventory of the skills of the DOE-ID INEL work force. In addition, LITCO has prepared a needs assessment which contains a projection of future skills needs at the INEL. Both the skills inventory and needs assessment are discussed in greater detail below, and are available for review in the Outplacement Center and in the DOE-ID public reading room.

As we move through the difficult process of restructuring the work force, we will continually determine the skills mix necessary to carry out our changed missions and analyze how those skills compare to the skills of the existing work force, taking into account retraining to the extent practicable, as set forth below. Our objectives will be to assure that our resulting work force is capable of carrying out the mission of the INEL and that any adverse impact of restructuring on the existing work force, as well as on the surrounding community, is minimized. We will also attempt to retain the diversity of our current work force. We will balance these considerations with the need to be fair and equitable in our treatment of all employees.

1. Objectives of the DOE-ID INEL Work Force Restructuring Plan

The general objective of this plan is that any restructuring at the DOE-ID INEL be managed in a manner fully consistent with the purposes and policies of Section

3161 and the Administration's program for defense conversion. The specific objectives of the Plan include:

- Minimizing involuntary separations,
- Minimizing the impact on individuals who are involuntarily separated,
- Mitigating the detrimental effect on the surrounding communities,
- Maintaining the integrity of the core competency required to safely and responsibly operate the DOE-ID INEL, and
- Restructuring and reorganizing DOE-ID INEL operations to support the Department's strategic objectives.

2. Skills Inventory

The skills included in the inventory are those that employees already possess and must be readily demonstrated. The skills inventory will be updated annually. Employees will participate in the inventory by verifying and updating the information concerning their own skills.

The contractor will communicate to employees how, why and when the skills inventory system will be used. This communication will occur as often as needed, but at least once a year at the time the skills inventory is updated.

In order for the skills inventory to be of maximum benefit to the employee and the contractor with respect to transferring, training, and staffing projections, the inventory needs to be expressed in terms of the skills required by the contractor to meet continuing mission requirements at DOE-ID INEL. The data base required is more detailed than the Common Occupational Classification System (COCS): too many skills fall into the "other" category under the COCS system for that system to meet INEL requirements. The skills inventory developed for DOE-ID INEL correlates to job class, work discipline, and COCS codes. The skills system can sort by any combination of job title, work discipline, or skills classification.

In accordance with DOE-HQ interim guidance, it is anticipated that this skills inventory will eventually be expanded to include subcontractor employees. Modifications may also be made to the data base to accommodate DOE-HQ requirements.

The initial skills inventory and the assessment of skills needed at DOE-ID INEL will be completed prior to any further work force restructuring actions that result in employee separations.

3. Baseline DOE Data and Reporting Requirements

A baseline employment database system is being developed by DOE-HQ that categorizes the total number of personnel presently employed across the DOE complex by contractor, program funding and skill mix. Such a system will be implemented at the DOE-ID INEL upon completion of the system in accordance with DOE-HQ guidelines. It is anticipated that the current skills inventory data for DOE-ID INEL will be incorporated into the baseline data base currently being developed by DOE-HQ for all DOE facilities.

4. Assessment of Skills Needed at DOE-ID INEL

In order to meet future staffing needs, the contractor will prepare and maintain a rolling three-year work force analysis expressed in terms of occupational categories and job classification levels. This inventory will be updated at least annually. A matrix showing present employment levels and future skills requirements based on projected missions and budget estimates for the three-year period will be made available to employees.

Included in this needs assessment are the following factors: 1) projected work force skills requirements, 2) the current composition of the work force, and 3) the feasibility of retraining employees to use the existing work force to meet the changing mission requirements.

5. DOE-ID INEL Work Force Planning Strategy

DOE-ID encourages the identification of training and other opportunities which maximize retention of employees. When reductions in force are required, DOE-ID encourages voluntary separations (within budget constraints). As discussed elsewhere in this Plan, DOE-ID continually reviews contractor hiring and employment levels, the skills and capabilities of the existing work force, the skills needed to meet changing site requirements, and retraining programs to prepare existing employees for changing site missions. DOE-ID will take into account relevant budget limitations at the INEL, with the intent of operating the DOE-ID INEL as efficiently as possible while meeting all the objectives of Section 3161. Skills necessary to meet anticipated changes in programmatic requirements will be matched with the skills of employees in positions no longer required and training will be provided, where practicable, to enable these employees to fill the required positions. Voluntary separation incentives and the release of temporary workers, where appropriate, will reduce, but may not eliminate, the need for involuntary separation of regular employees. Contractor employees who submit applications to participate in any voluntary incentive separation program will be selected based upon their verified eligibility to

participate in the program involved, as well as continuing mission requirements. Employees who elect to participate will be required to sign the general release and waiver in Appendix B of this plan. Contractor employees will be identified for involuntary separation based on a number of factors, including but not limited to: documented individual performance, seniority, the need for the individual's skills taking into account retraining possibilities, and the diversity of work experience as they relate to the overall strategic direction at DOE-ID INEL. Critical skills are not determined by job classification, per se, but rather by the skills needed to accomplish continuing site missions. Also to be considered is the transferability of skills across organizational entities and the impact of attrition.

Prior to conducting an involuntary separation program, each operational unit of the contractor will submit to HR a list of employees by skills classifications where the availability of current employees exceeds projected mission requirements. Employees on the list who may be reassigned with little or no retraining will be given preference with respect to placement in existing openings. Following a review by HR of the backgrounds of employees on these lists in comparison to current openings, the employees on the list will be classified by HR as follows:

- (1) employees to be retained because they already possess skills critical to continuing mission requirements,
- (2) employees to be retained because they will require little or no training to meet continuing mission requirements,
- (3) employees to be retained because they require training which is practicable under the circumstances in order to meet continuing mission requirements, and
- (4) employees who do not fall into the preceding three categories and, so, are candidates for involuntary separation.

Thus, retraining programs will be considered when analyzing candidates identified as vulnerable for involuntary separation. Care will be taken to ensure a sufficient number of employees remain to perform critical functions and otherwise to meet continuing mission requirements. Openings that are not filled by these processes will be filled using an internal posting procedure.

The selection process described above will be carried out in a manner consistent with other legal requirements. Nonexempt employees covered by collective bargaining agreements will be selected for involuntary separation in a manner consistent with the requirements of applicable collective bargaining agreements. Applications of these factors to individual employees will be documented.

Unrepresented employees will be selected for involuntary separation consistent with the requirements of applicable personnel policies. The contractor may fill vacant positions through external hires only after the requirements of this Plan have been fully complied with, subject to DOE oversight and review.

Apart from separations attributable to incentive separation programs, attrition is difficult to accurately predict. Historical data will be used to assist in forecasting efforts. Our strategy is to allow backfilling only for vacancies created by circumstances other than employees separating pursuant to incentive separation programs (other than approved early retirement programs), and in circumstances where there would otherwise be an adverse impact on ability to perform continuing mission objectives. Hiring employees who do not meet the Section 3161 eligibility test is appropriate only where consistent with the order of preference laid out below.

A contractor executive oversight committee will monitor the restructuring effort. General guidance will be provided by HR to each organization to assist in its staffing analysis to meet its identified mission and scope of work. LITCO will identify, review, and document any skill mismatches, excesses or deficiencies according to skill classification prior to any involuntary separation. The HR guidance and the implementation methodology will be submitted to DOE-ID for review in advance of any involuntary separations. Hiring decisions by LITCO will also be subject to review by DOE-ID.

D. LOCAL IMPACT ASSISTANCE TO COMMUNITIES

Mitigating the impact on the community of DOE work force restructuring through community assistance is also important in successfully carrying out the intent of Section 3161 and the Department's work force restructuring policies. The community must be motivated and empowered to contribute in an essential way to ensure a successful economic transition. DOE is committed to a process of comprehensive and systematic involvement of all stakeholders in this process. With assistance from DOE-ID, the Eastern Idaho Community has already organized to take significant and aggressive steps to off-set the economic impacts of an INEL change of mission.

1. Recent Community Assistance -- Initiative 2000

The Eastern Idaho Economic Development Council, also known as Initiative 2000, was formed in 1992 in response to local recognition on the part of DOE-ID and the community that the INEL would begin significant reductions in employment due to the post-Cold War restructuring of defense-dependent federal labs. Local business and government leaders in Bonneville County began a planning effort ("Initiatives 2000") to learn from other communities who have

successfully diversified and thrived due to the effectiveness of their response to major setbacks at adjacent federal labs. The Initiative 2000 planning effort produced a strategic plan and a consensus that a partnership was needed between local businesses and governments which would focus existing resources and add new elements to diversify the regional economy. In 1993, Initiative 2000 was incorporated as a nonprofit corporation and raised more than \$2.7 million, largely from corporate donations to finance a 4-year regional economic adjustment effort. DOE-ID provided loaned executives to perform general administrative functions apart from fund-raising for part of the first year of operations of Initiative 2000, as well as some office furniture and equipment, but has not provided funding for the two targeted adjustment projects in which Initiative 2000 has taken the lead. Those two projects are:

- Bonneville County Technology Park Project. In April 1993, Initiative 2000 provided the planning capacity to Bonneville County, the City of Idaho Falls and the Idaho Innovation Center, which assisted this community partnership in obtaining a \$4.5 million grant from the U.S. Department of Commerce Economic Development Administration in March 1994. The community committed \$1.5 million in local matching funds toward this project. The goal of this project is to diversify the economy and create job opportunities by assisting in the formation of new businesses by dislocated workers and by assisting technology-transfer, spin-off companies by constructing a new 40,000 square-foot incubator facility, providing new business development services and providing access to startup capital through a new \$1 million revolving loan fund.
- Export Trade Assistance Program. In 1994, Initiative 2000 assisted the City of Idaho Falls in obtaining a \$98,000 grant from the U.S. Department of Defense/Office of Economic Adjustment (DOD/OEA) for the City to design, develop and test an international trade assistance program. Once established, this program will increase the competitiveness of local businesses to find new markets by exploiting the potential of export trade. This initiative will create new job opportunities for INEL workers as these businesses expand into international trade. Initiative 2000 is serving as the program manager for this project and is working with Idaho State University which has the lead in developing the program.

2. The Community Reuse Organization

On September 8, 1994, the DOE-ID recognized Eastern Idaho Economic Development Council/Initiative 2000 as the Eastern Idaho Community Reuse Organization (CRO) to provide the region with a single voice to DOE for

economic development and community transition issues. The primary functions of the CRO Board are:

- To act as the community's single voice to DOE for INEL "Change of Mission" and economic development issues.
- To promote diversification and expansion of the regional economic base with economic development activities connected to DOE.
- To provide timely and accurate information to stakeholders in an effort to build consensus on transition-related issues.
- To coordinate all local economic development planning and management efforts that address DOE-related impacts.
- To develop and submit local plans and proposals to DOE-ID Operations Office for DOE implementing funding.
- To receive DOE funding and participate in the implementation management of economic development projects.
- To prepare and submit a Public Involvement Plan which describes the process by which the public is involved in CRO activities and who will be involved in the process; to describe to the public the purpose, scope, and method of the CRO's economic development efforts in order to reach a broad segment of the community to assure "fairness of opportunity" and participation in planning and in the implementation of projects.
- To coordinate CRO activities with Site-Specific Advisory Board, particularly with regard to future site planning.
- To coordinate CRO activities with INEL contractors.
- To coordinate CRO economic development plans with the INEL's Work Force Restructuring planning process through the DOE-ID.
- To assure that the work force's needs are addressed and represented; to initiate job-creating economic development projects that provide career alternatives for impacted employees through the creation, retention and attraction of comparable or higher caliber employment opportunities that are not dependent on DOE. The financial support provided to the CRO by DOE is not used to influence or attempt to influence the determination of any Federal contract, grant, loan, or cooperative agreement.

- To demonstrate to DOE an ability to manage financial resources.
- To apply for a DOE planning grant; upon grant award, prepare and implement a site-specific economic development plan.
- To receive DOE implementation grant(s); administer DOE grant and subawards; assume liability for compliance of grant requirements by subgrantees receiving a subaward by the CRO.
- To identify opportunities for economic development-related "reuse" of INEL facilities.
- On March 2, 1995, the CRO received from DOE an initial, 12-month, \$325,000 planning grant to enable the CRO to complete an Economic Development Implementation Plan.⁵ This plan will guide community transition efforts.

The focus of the DOE planning effort will be to develop a detailed economic development implementation plan which builds upon the strategic planning process initiated in 1992. The "deliverables" of DOE planning assistance will be a site-specific, economic development implementation plan to complement INEL's Work Force Restructuring Plan. The Economic Development Implementation Plan will include a list of pre-screened, economic development projects which have been assessed for technical feasibility, prioritized through a public involvement process, and recommended for implementation. This detailed Implementation Plan will be developed in partnership with local communities and will identify funding requirements for projects which best create jobs that employ dislocated DOE personnel, stimulate local economic growth, promote the commercialization of site-developed technology, and reuse DOE/INEL facilities compatibly with the site's continuing mission. A key activity to be accomplished during the 12-month planning period is to develop an Industry Work Force Analysis. It will assess the skills, reemployment ambitions, and income/benefit requirements of dislocated workers. (This is in addition to the skills-inventory work done by the INEL contractors in cooperation with DOE.) This study will be used to match this excess human capital with the expansion needs of regional businesses and with the work force needs of potential new industries.

⁵ Additional grants to support CRO activities are anticipated.

3. Other Community Assistance

The INEL has also established the Economic Development Volunteer Program. The program has been designed to seek volunteers from among the INEL's work force who want to make their talents and expertise available to economic development organizations such as regional chambers of commerce, economic development councils and business incubation centers. Some INEL employees who previously took voluntary separations have used their separation benefits to start new businesses and consulting firms in the local area. These companies, as they grow, will also help augment local economic development.

III. ROLES AND RESPONSIBILITIES

A. STAKEHOLDER INPUT

Upon a determination that a change in the work force is necessary at a defense nuclear facility, Section 3161 requires the Department of Energy to consult with appropriate representatives of state and local governments, appropriate representatives of affected employees, and other DOE-ID INEL stakeholders affected by the change in work force during development of a plan for restructuring the work force. In developing this Plan, DOE-ID has actively sought continuing input from such individuals and organizations (see Appendix A). For purposes of facilitating this consultation process, various drafts of the Plan have been repeatedly provided, as described below.

1. Process for Soliciting Stakeholder Input.

The process developed at INEL for obtaining stakeholder comments is:

- a. Make applicable drafts of work force restructuring plans available for written comments after clearance from DOE-HQ.
- b. Analyze written comments and incorporate the changes urged in the comments, if deemed appropriate.
- c. Respond to written comments.
- d. Conduct public meetings.
- e. Analyze input from public meetings and any written comments submitted after such meetings.
- f. Make appropriate changes to the draft plan consistent with stakeholder comments.

- g. Send drafts of final plans to DOE-HQ for approval.
- h. After approval from DOE-HQ, distribute plan.

B. DOE RESPONSIBILITIES

Upon the determination that a change in the work force is necessary, DOE is responsible for defining the objectives and developing a plan for restructuring the work force. All contractor announcements and plans affecting more than 100 management and operating contractor employees will be approved by the Department of Energy before release in order to comply with notification policies in Department of Energy Order 3309.1A and the National Defense Authorization Act of 1993.

C. THE ROLE OF DOE CONTRACTORS

1. Information and Implementation

While DOE contractors are not identified as stakeholders in Section 3161, their exclusion from the work force restructuring process is neither appropriate nor practicable. The contractors, not DOE, are the employers of the employees who are likely to be affected by work force restructuring activities, and as such, have responsibilities to those employees. Contractors cannot be excluded because they are parties to collective bargaining agreements, they are administrators of pension and benefit plans, and they have other obligations imposed by law.

Contractors are also the principal source of institutional knowledge that DOE may require to perform work force analysis and restructuring activities. Contractors may be the only source of certain information necessary for preparing a restructuring plan. The contractors are also charged with implementing this Plan and provide critical data to DOE-ID for updating the Plan. Additionally, DOE-ID evaluates the continuing progress of contractors in implementing the Plan as part of the award fee evaluation process. To the extent that DOE believes that the Plan is not being implemented or applied reasonably, DOE-ID will intervene to require specific corrective action.

2. Communications

Timely and accurate communication with employees is essential. The contractors, as the employers of the employees, are responsible in the first instance for communicating information regarding work force restructuring to employees, including information on any proposed voluntary separation plans or related releases. Contractors are expected to obtain all appropriate clearances from DOE, to comply in all respects with the requirements of DOE Directive 3309.1A

regarding announcement of involuntary separations, and to provide the most accurate and straightforward information possible to employees regarding budget impacts and any other situations that are expected to result in work force changes before that information is released to the news media. The contractor will ensure that all information intended for release to internal or external audiences will be consistent with all legal and contractual requirements. LITCO, in consultation with DOE, has developed a communication plan. The objective of the communications plans is to identify strategies for disseminating information in an understandable, consistent, factual, and timely manner. Pursuant to this communication plan, information regarding work force restructuring will be included in the *INEL News*, a biweekly news publication, which is distributed by LITCO through INEL mail to employees. Appropriate information will also be included in the *INEL Update*, a LITCO publication distributed to area Chambers of Commerce and various legislators. Information can also be disseminated to employees quickly through the electronic mail system.

IV. RESTRUCTURING PROGRAMS

A. EARLY RETIREMENT INCENTIVE PROGRAM (ERIP)

An ERIP was conducted in FY 95 and produced 624 separations of regular employees. See discussion below in Appendix A. If another early retirement program is offered, it would be designed to provide incentives for those employees in job classifications at risk for involuntary separation, consistent with applicable legal requirements. Development of an early retirement program will include actuarial estimates and the assistance of legal counsel to ensure contractual and other legal requirements have been met. Employees taking an early retirement package would not be eligible for educational benefits, relocation costs, or the hiring benefits. Those employees who elect early retirement will not be eligible for reemployment with LITCO or Coleman Research at INEL. Each HR recruiter will have a list of former employees who left under early retirement incentive programs and, before any offers of employment are made, the candidates will be checked against the list. Exceptions may be granted on a case-by-case basis with appropriate conditions if such exceptions are shown to be in the best interest of the government because of programmatic needs or other mission requirements.

B. VOLUNTARY SEPARATION INCENTIVES (VSP)

A VSP was offered in FY 95 and resulted in 587 separations. See discussion below in Appendix A. Voluntary separation incentive programs, when offered, will be offered only to those eligible regular employees in classifications at greatest risk of involuntary separation. The incentives will be designed to make voluntary separation sufficiently attractive that involuntary separations are minimized. The voluntary separation package will encourage those employees who can do so to take the incentive package and thereby

save the jobs of employees whose outside options are limited. Employees who elect voluntary separation will be restricted from employment with LITCO or Coleman Research at INEL for three years. Each recruiter will have a list of former employees who left under the voluntary separation program and, before an offer is made, the candidate will be checked against the list. However, exceptions may be granted on a case-by-case basis with appropriate conditions if doing so is shown to be in the best interest of the government because of programmatic needs or other mission requirements.

C. UNION INVOLVEMENT IN VOLUNTARY SEPARATION PROGRAMS

The M&O contractor should notify, and bargain upon proper request, with labor organizations representing any affected employees before promulgating any voluntary separation plans or related releases.

Prior to granting represented employees' requests to be part of a voluntary separation program, the M&O contractor will discuss with union officials representing affected bargaining units the potential impact on the bargaining unit. The M&O contractor will give full consideration to suggestions received from union officials prior to making final decisions on approving individual voluntary separation requests.

D. INVOLUNTARY SEPARATION PROGRAM

Every effort will be made, in accordance with the programs identified in this Plan, to minimize the number of employees involuntarily separated. However, if involuntary separations are required through FY 97, non-represented employees will be identified for involuntary separation consistent with applicable personnel policies based on a number of factors, including but not limited to: the need for the individual skills, individual performance, seniority, and diversity of work experience as it relates to the overall strategic direction. Performance within the ranking group will be in accordance with the contractors' published performance appraisal guidelines. Represented employees covered by collective bargaining agreements will be identified for involuntary separation in accordance with their respective collective bargaining agreements. Application of these factors to individual employees will be documented.

In addition to other benefits provided under this plan, involuntarily separated regular, full-time employees who are covered by collective bargaining agreements will receive severance pay in accordance with severance provisions in those agreements. LITCO employees who are not covered by collective-bargaining agreements will receive severance pay in accord with applicable personnel policies; severance pay for those employees is currently computed in accordance with the following schedule:

NON-REPRESENTED EMPLOYEE SEVERANCE PAY

<u>Years of Service Credit</u>	<u>Weeks of Termination Pay</u>
1 yr. but less than 2	1
2 yr. but less than 4	2
4 yr. but less than 7	3
7 yr. but less than 10	4
10 yr. but less than 15	6
15 yr. but less than 20	9
20 yr. but less than 25	12
25 yr. and over	16

Any involuntary separation will also be conducted consistent with DOE Order 3309.1A which requires prior notification to DOE-HQ. If involuntary layoffs fall under the provisions of the Worker Adjustment and Retraining Notification (WARN) Act, the affected employees will be given written notice at least 60 days prior to the date of the intended layoff.

E. MANAGED ATTRITION

Historically, the annual attrition rate at the DOE-ID INEL (excluding retirements) has ranged from 5.5 to 6.5 percent. However, data for the first nine months of FY 95 indicate the attrition rate for FY 95 was approximately 4.5 percent, exclusive of separations pursuant to incentive separation programs. As attrition occurs in those occupations in which reductions will be necessary, the numbers of individuals that would have otherwise been involuntarily impacted will shrink. Attrition must therefore be managed to accomplish work force restructuring goals, while minimizing the need for backfilling. If attrition does exceed estimates, backfilling could be necessary in order to meet continuing mission requirements. The filling of any such vacancies as do occur, however, will only be done in compliance with Plan requirements, including retraining obligations and hiring benefits described below.

F. PRIVATIZATION

Privatization of activities to be performed at the INEL will be conducted in a manner fully consistent with the purposes and policies of Section 3161. Proposals for privatization (or outsourcing) of functions currently performed by LITCO at the INEL may warrant additional Section 3161 planning measures. Eligible employees who are involuntarily separated as a result of privatization (or outsourcing) will be covered by the hiring preference and other provisions of this Plan. Individuals who voluntarily separate in order to accept employment as part of privatization (or outsourcing), are not generally

eligible for Section 3161 benefits, but may be eligible for retraining benefits described elsewhere in this Plan when necessary in order to qualify for the new position. Furthermore, employees who otherwise meet eligibility requirements described in this Plan are entitled to receive hiring benefits in the event their positions with the privatization/outsourcing contractor are terminated.

V. ASSISTANCE AND BENEFIT PROGRAMS

A. EDUCATIONAL ASSISTANCE AND RETRAINING PROGRAMS

1. Objectives

Major objectives of the Work Force Retraining Plan include: (1) minimizing loss of vital skills and knowledge, (2) providing reasonable assistance in helping employees find gainful employment, (3) minimizing negative impacts to the surrounding communities and affected employees, and (4) providing necessary training for the retained work force in order to avoid, to the extent practicable, the need for involuntary reductions in the work force. Education assistance and retraining are vital to accomplishing many of these objectives. In particular, DOE-ID is aware of its obligations under Section 3161 to retrain employees, to the extent practicable, for environmental restoration and waste management activities.

Key steps in accomplishing these objectives are identifying how to provide personnel with the necessary skills to support continuing and new missions at the INEL and preparing displaced employees for employment opportunities outside the INEL, including at other DOE sites. This Plan addresses educational assistance and retraining for two specific groups of individuals: (1) individuals who will be leaving the DOE-ID INEL on a voluntary or involuntary basis and (2) retrained employees who may be reassigned to different positions.

2. Tuition Assistance for Displaced Employees

Under the Tuition Assistance program, voluntarily or involuntarily separated employees who otherwise meet the Section 3161 eligibility tests set forth above are entitled to tuition, allowable fees, and identified expenses, totaling \$5,000 in a 12-month period or \$10,000 over 4 years. The 4-year period starts on date of separation. An employee's continued participation in this program will be contingent upon her or his remaining eligible.

Retraining for displaced employees is intended to prepare affected employees to qualify for new jobs outside the DOE-ID INEL. The plan to accomplish this is to:

- a. Identify the types of jobs available outside INEL locally, regionally, and nationally (including other DOE sites). Determine to the extent practicable job classifications available and the minimum skill levels required.
- b. Determine the existing skills and training needed for the displaced employee to qualify for the available jobs.
- c. Identify the employee assistance and job training programs available from state agencies and determine the eligibility of INEL individual displaced employees for that training.
- d. Determine the existing training programs and course offerings with vacancies that meet training needs for affected workers.
- e. Explore the most efficient and effective method for delivering the remaining training needed to the displaced employees. Specifically examine alternative delivery means using telecommunications technology for delivery of instruction at the home or work site. In addition to specific, job-related training, eligible displaced employees will also be afforded the opportunity to pursue their general education (i.e., course work, completion of a certificate or license, or an associate, bachelor, or graduate degree).

3. Retraining for Retained Employees

This Section describes the methodology used to identify the knowledge, skills, and training required to safely and efficiently operate, maintain, and manage the facilities at the DOE-ID INEL. Training for LITCO employees is provided through the INEL Institute. The Institute is a division of LITCO that provides training and coordinates educational benefits for current employees who want to improve their professional skills.

DOE-ID has determined that retraining of retained employees to meet the changing site mission requirements is practicable when the following factors are present: (1) the availability of employees who already possess the needed skills is inadequate to meet programmatic needs; (2) the cost and time associated with retraining is not excessive given future programmatic requirements and the skill level of affected employees; and (3) other relevant legal, contractual, programmatic, and business considerations support retraining. Application of these factors will be documented.

Specifically, the Plan for retraining workers transferred to new jobs within the INEL will address the following questions:

- (1) What positions are available? Identify anticipated job openings within the next 12 months.
- (2) What are entry level skills for each position? Analyze job descriptions to determine minimum skill requirements for each position.
- (3) Who are the people to be reassigned? Assess training, skills, and work experience of each employee eligible for reassignment.
- (4) What is the minimum training needed for reassigned employee to meet the new job requirements?
- (5) What are the aggregate training needs of reassigned employees as appropriate? Determine the number of people needing specific skills training, whether such skills are best provided by formal curriculum program, by on-the-job training, apprenticeship programs, or by some combination of delivery modes.
- (6) What are the pertinent requirements imposed by law or by contract for such positions?
- (7) What is the most effective and efficient way to deliver the training to the employees? Determine if full-time schooling prior to reporting for the new job is best, or if part-time training, self-study modules, apprenticeships, or on-the-job training administered while the employee is at the new position would be best.

Orientation and job-specific training will be developed and provided by the applicable organizations to fit their specific needs.

The contractor will review existing openings and anticipated near-term openings to identify alternative employment arrangements for employees whenever they are identified as available for reassignment because of changing skills requirements or funding reductions. If an employee meets the minimum requirements of an existing opening or is qualifiable within a reasonable period of time (no more than 60 days), the employee will be transferred laterally to the open position prior to consideration of other internal candidates. The line manager will provide on-the-job training or coordinate through LITCO's INEL Institute to make arrangements for additional training through external course providers. External training may be received through training programs sponsored by professional societies (e.g., American Compensation Society), management consulting firms (e.g., American Management Association), accredited universities and colleges, nationally recognized leaders in specific industries or occupations, apprenticeship programs,

etc. Funding for these ongoing training programs is typically budgeted for within each organization. Based on identification of new missions and funding, the contractor will also identify categories of employment where employment levels will increase in the more distant future. This information will be provided to employees as it becomes available to help them identify future career opportunities at the INEL for which they may prepare themselves through additional training and instruction. This training may be acquired through such programs as the existing INEL Education Program with local academic institutions (Idaho State University, the University of Idaho, Eastern Idaho Technical College), the existing educational assistance program and joint labor-management apprenticeship programs. Funding for these programs is typically budgeted for within each organization. Where there is a significant reduction anticipated in one category of employment and offsetting increases in a comparable category of employment, DOE will encourage the contractor to establish in-house training programs to provide potentially displaced workers with the skills required to assume the new work scope. These programs will be established on an as-needed basis, and the funding for these programs will be identified at that time.

In those situations where the contractor is assigned a new mission requiring at least 100 additional full-time employees, and specific employees in comparable categories in the existing work force have been or will be declared surplus prior to required staffing of the new program, the following will apply:

- The contractor will develop training programs aimed at matching the surplus employees with the jobs expected to be created by the new program, to the extent practicable.
- The training should be able to be completed within a reasonable time frame in relationship to those vacancies (not more than six months) and at a reasonable cost (not to exceed \$10,000) which includes tuition, course materials, and related instructional costs, but not trainee salaries.

B. RELOCATION ASSISTANCE

Relocation assistance up to \$2,000 will be available to individuals who are voluntarily or involuntarily separated for up to four years following termination of employment. This benefit is allowed only if the new employment is full time and regular; the new employer does not provide relocation assistance; and the commuting distance from the old residence to the new work location is 50 miles or greater. All relocation expenses must be supported by documentation before reimbursement will be allowed.

C. DISPLACED WORKERS MEDICAL BENEFITS

Voluntarily and involuntarily separated employees, who are not otherwise eligible for such coverage under another program, will be eligible for an extension of their current medical benefits under the INEL Health Care Plan. During the first year following separation, the contractor will continue to pay its portion of the former employee's medical premium, and the former employee will pay his/her normal share. During the second year, the former employee will pay half of the Consolidated Omnibus Budget and Reconciliation Act (COBRA) rate. During the third and subsequent years, the former employee will pay the full COBRA rate. Employees may continue dental and vision coverage for the required COBRA period of 18 months at the full COBRA rate. Employees will also receive notification of their rights under COBRA.

D. HIRING BENEFITS

To the extent practicable, employees of DOE-ID INEL contractors specifically identified for involuntary separation who (a) otherwise meet the eligibility requirements contained in this Plan, and (b) are qualified or qualifiable (see Order of Preference below), are entitled to a placement preference for vacant positions at DOE-ID INEL. DOE-ID INEL contractors will compile a list of at-risk employees who have been specifically identified for involuntary separation from which contractors and subcontractors will fill vacant positions. Vacant positions will first be filled through application of the placement preference before application of the preferential hiring requirements described below.

To the extent practicable, involuntarily separated DOE contractor employees who (a) otherwise meet the eligibility requirements contained in this Plan, and (b) are qualified or qualifiable (see Order of Preference below), will receive a continuing hiring preference with respect to vacancies for positions with DOE-ID contractors and at other DOE facilities. Employees are not involuntarily separated for these purposes unless there has been an involuntary disruption of their reasonable expectations of continued employment at the INEL. Under this Plan, employees have not had an involuntary disruption of their reasonable expectations of continued employment at the INEL if they are separated as a result of: (1) termination for cause; (2) voluntary separation from employment at INEL (other than to take a position with a contractor or subcontractor pursuant to an INEL privatization or outsourcing initiative), including separation pursuant to a voluntary separation program or early retirement program; (3) the normal completion of a contract; or (4) termination in accordance with the employer's normal policies as a result of business decisions unrelated to change in the work force directed by DOE-ID.

1. Order of Preference

Subject to the provisions of applicable collective bargaining agreements or contractual obligations, openings for positions not filled by internal movement of

existing employees at DOE-ID INEL will be filled by giving preference in hiring to eligible involuntarily separated employees in the following order:

- a. First preference will be given to former regular, full-time DOE-ID INEL employees who meet the 3161 preference eligibility requirements.
- b. Second preference will be given to former regular, part-time DOE-ID INEL employees who meet the 3161 preference eligibility requirements.
- c. Third preference will be given to former employees from other Department of Energy sites that meet the 3161 preference eligibility requirements.

Because of the nature of the work at the INEL site, and uncertainties about the size of future budgets for the INEL, DOE-ID cannot project the full nature and extent of work activities that will be performed at the INEL in the future. Therefore, it would not be prudent to list in this Plan every factor that must be evaluated in determining whether the application of the hiring benefits is practicable. However, DOE-ID has determined that it will generally be practicable to give the hiring benefits where the eligible individuals possess qualifications approximately equal to competing, non-eligible candidates or the eligible individuals may be retrained to meet such qualifications by the time the work is commenced (such retraining will not exceed 60 days). Other relevant business, legal, policy or programmatic considerations may make application of the hiring benefits impracticable in particular circumstances, e.g., where the anticipated duration of employment is limited, in rare circumstances where there is an urgent need for particular skills and eligible individuals cannot be reached quickly enough, or where there are inconsistent rights under a collective bargaining agreement that require that particular employees be called back for related work. Application of such considerations will be fully documented.

The hiring benefits will be applied to the extent consistent with veterans' preference, other applicable law, employment seniority plans, practices of the Department of Energy, Section 3152 of the National Defense Authorization Act for FY 90 and 91, and the terms of any binding collective bargaining agreements and affirmative action plans. The hiring benefits do not outweigh other preferences required by statute or executive order.

2. Implementing Procedures

Offers of employment pursuant to the hiring benefits will be in writing and remain open for not less than 10 calendar days after the offer is received by each employee.

Involuntarily separated INEL employees covered by this Plan must submit written notification annually to the Outplacement Center of their continuing eligibility for the hiring preference and interest in employment. At the time an eligible employee separates from INEL employment, the contractor will advise the employee of the annual notification requirement and will supply the employee with Statement of Interest forms (see Appendix D of this Plan) to be used in complying with the annual notification requirement. At the time of separation, each eligible employee will receive a written notice stating that (a) the employee must provide the annual notification form no later than July 1 of each year following the year in which the former employee separated in order to retain continuing eligibility for hiring benefits, and (b) failure to provide the annual notification form will result in the permanent removal of the employee from the eligibility list. Furthermore, to assure each former employee is given adequate opportunity to retain eligibility, any former employee who does not submit the annual notification form by July 1 will be given written notice, sent to the former employee's last provided address, stating that if the annual notification form is not received within 30 calendar days the former employee will be removed from the eligibility list and will no longer be eligible for hiring benefits. Former employees are responsible for notifying the Outplacement Center in the event they change their address. Individuals from other DOE sites are responsible for notifying a subcontractor that they are eligible to receive a preference in hiring when applying for an open position.

A current or former employee who meets the eligibility requirements for 3161 hiring benefits may file an appeal with respect to any decision relating to the application of the hiring benefits to that employee with the relevant contractor's human resources organization (in the case of LITCO, the Vice President for Human Relations). The decision of the contractor can be appealed to DOE-ID, and thereafter to DOE-HQ.

In order to address potential problems with full and effective implementation of the hiring benefits described in this Plan, LITCO will be directed to immediately explore with affected labor organizations and subcontractors, in a manner consistent with generally applicable labor law, collective bargaining agreements, and contract requirements, the propriety of entering into new or supplemental agreement(s) which revise hiring hall, labor organization, and other subcontract practices which may impede application of the hiring benefits.

Additionally, LITCO will use its best efforts to negotiate the inclusion of the hiring benefits contract clause discussed below into current subcontracts for remedial action under environmental laws which (including any contract options) exceed \$500,000 when bilateral modifications to such subcontracts are negotiated,

provided the modification will not result in any significant increase in contract cost.

3. Subcontracts and Implementation of the Hiring Benefits

New subcontractors and sub-tier contractors performing at the INEL or in INEL facilities under contracts which (including any contract options) exceed \$500,000 will, by contract language, be required to accord hiring benefits consistent with this Plan and the requirements of applicable procurement laws.

In order to ensure that hiring benefits requirements are flowed down into subcontracts, DOE-ID has developed a model clause to be used in its solicitations for new contracts and subcontracts at DOE-ID facilities or sites. (The model clause is located in Appendix C of this Plan.) Where it is practicable to offer hiring benefits, the Outplacement Center representatives will work with each subcontractor, in accordance with that subcontractor's hiring plan, to identify qualified eligible candidates for open positions. Subcontractors will be required to maintain adequate documentation to support hiring decisions, submit such documentation to the contractor for inclusion in the quarterly report to DOE-ID, and flow hiring benefits requirements into their subcontracts.

Subcontractors are not required to reimburse either interview or relocation expenses of identified or selected candidates if (1) the position is one which the subcontractor is normally able to fill locally or from within its own work force or (2) the subcontractor does not normally reimburse such expenses for the position in question.

E. THE OUTPLACEMENT CENTER

The DOE-ID INEL will open a dedicated Outplacement Center within the Idaho Falls area for easy access to affected workers, potential employers, and agencies offering services, including the State Job Service and the State Employment Security Commission. The Outplacement Center will be staffed by LITCO personnel qualified to assist displaced employees in coping with job loss; evaluating and identifying skills; determining career interests; and realizing potential career options. It is anticipated that the Outplacement Center or basic outplacement⁶ services will be maintained for at least four years from date of employee separation. However, the continuing need for those services will be continuously reviewed by DOE and the Center will be closed if its continuation is no longer appropriate.

⁶ Basic outplacement services include implementation and coordination of education, relocation, and hiring benefits at the DOE-ID INEL.

All voluntarily and involuntarily separated contractor and subcontractor employees are eligible for Outplacement Center assistance. In order to ensure its effectiveness, the center will maintain contact with its clients, requesting feedback concerning the services offered and evaluating the results thereof on an ongoing basis. All services are optional, and displaced workers are not required to use the Center. The Outplacement Center will track employment, education, and insurance status of former employees and will report results to the DOE-ID for inclusion in the annual update to the Plan.

1. Facilities and Personnel

Counselors. Counselors will be available to direct displaced workers having access to the center to the appropriate services and to ensure that individual attention is given during the transition process. Outplacement counselors will ascertain the needs and eligibility of each worker and refer him or her to other resources such as reference materials and the employee assistance program.

Support Staff. Centralized clerical and administrative support services will be available. Support services will include typing/computer support, data entry, duplicating, faxing, mailing, job posting, resume preparation and distribution, and telephone access. Clerical support staff responsibilities also include issuing office supplies, operating a message center, and maintaining a resource library and personnel file room.

Workstations. Fully equipped workstations will be available for terminated workers to prepare resumes and job-search correspondence. Each workstation will be equipped with office furniture and supplies. Computers and typewriters will be available in a centralized location.

Security. Established procedures will control access to the center. Access will be limited to those with proper identification.

The Outplacement Center Manager will coordinate all services. The receptionist will coordinate schedules and classroom space.

2. Job Opportunities Bulletin Board System (JOBBS) and Implementation of the Hiring Preference

The Outplacement Center will play a key role in implementation of the hiring preference discussed above. To retain hiring benefits, involuntarily separated employees will be required to submit written notification annually to the Outplacement Center of their continuing interest in, and eligibility for, the program. Implementation of the preferential hiring consideration for other DOE facilities will be achieved, as discussed above. This will be accomplished via an

automated support system, the Job Opportunities Bulletin Board System (JOBBS), with an integrated resume-referral subsystem. This system is based on the already successful Transition Bulletin Board operated by the Department of Defense. It will include a bulletin board based on user-friendly, widely accessible software, a telecommunications system by which all contractor human resources departments can access the bulletin board; and workstations at each site.

A job seeker will access this system by filling out a standardized resume form. A potential employer accesses the system by placing a standardized want ad. The system will match resumes to job specifications, then notify the potential employers that a match has been found. The potential employers will select candidates and arrange for interviews.

Each eligible displaced DOE-ID INEL employee will provide the Outplacement Center a copy of his or her resume to be placed on JOBBS. The resume will be retained by the Outplacement Center staff for comparison to future local job openings for possible employment opportunities.

The Outplacement Center will participate in the hiring process of the contractor and its subcontractors. The Outplacement Center will advise eligible employees concerning available hiring benefits. Outplacement Center representatives will compare the qualifications of eligible candidates with requirements of job openings. Resumes of candidates who meet (or can meet through retraining, as discussed above) minimum qualification requirements will be forwarded to the manager or company having the opening. If an eligible candidate is not selected, written justification will be attached to the returned resume to document proper consideration. The Outplacement Center will track all such referrals and outcomes. This record will be provided to DOE-ID on a quarterly basis for review. The results will be reflected in the annual Plan update.

3. Initial Services Offered

The following services will be offered to workers who will have access to the Outplacement Center.

Registration for state unemployment benefits. LITCO officials and the Idaho Department of Employment will cooperate to provide unemployment insurance registration to involuntarily terminated workers in a manner that streamlines the process.

Interviews for displaced employees will be available within the first six weeks following separation. Individual consultants will meet with each client to determine areas of interest and experience.

4. Job and Career Counseling and Training

Outplacement workshops will provide instruction and counseling on job search techniques, resume preparation, and interviewing skills. Other topics addressed in workshops will be how to find job leads, cope with change and set life and career goals.

Experts will be solicited from private and government industries to address specific topics relevant to life and career transitions. Volunteer, community, and contracted agencies will provide a diverse curriculum. These sessions will be offered to all displaced contractor employees on a voluntary basis. Topics may include, but are not limited to, the following subjects:

- Financial planning
- Credit
- Legal matters
- Stress management
- Health improvement/fitness

5. Related Services

Job Identification. A comprehensive program will identify potential employers. Advertisements may be placed as appropriate in local, state, and national newspapers announcing the availability of highly qualified and trained individuals. Through these advertisements, potential employers can contact the Outplacement Center. To maximize opportunities, additional avenues for identifying positions may include the following:

- Government agencies
- Professional societies
- Peer referrals
- Employment agencies
- Database linkages (government, professional, etc.)
- Local Chamber of Commerce

- **Mass mailing distribution to potential employers**

As potential employers are identified, a package will be mailed requesting various types of information regarding employment opportunities.

Job Posting. In addition to the Department of Energy resume databank, a database of potential employers and positions will be maintained. An integral part of the job identification process is to advertise available positions to terminated workers. This database will include private, government, and corporate opportunities, both locally and nationally. Positions will be posted in a centralized location at the Outplacement Center.

External Interviews. As part of the job identification process, arrangements will be made to accommodate potential employers who would prefer to conduct interviews at the Outplacement Center. These arrangements will afford terminated workers unique interviewing opportunities and will benefit the companies by reducing interview expenses.

Job Fairs. Job fairs may be scheduled. Participation by local and national companies and organizations will be determined according to the responses received through the job identification process.

Resume Distribution. In addition to the JOBBS system for positions available at DOE facilities, resume portfolios will be assembled and distributed to potential employers outside the DOE, as appropriate. These portfolios will include resumes of terminated workers who elect to participate in this process. The portfolios will be distributed in a timely manner. Releases will be signed by individual clients of the facility as appropriate.

Resource Library. A centralized library of resource materials will be available at the Outplacement Center. Reference materials may include newspaper subscriptions, government and industry-related journals, and various reference books dealing with personal and professional development. Other resource material will include maps, telephone books, college catalogs, dictionaries, and a thesaurus.

6. Employee Assistance Program

An Employee Assistance Program will refer and provide professional and confidential counseling for employees and their families regarding emotional difficulties, stress management, legal and financial management, marriage and family matters, and substance abuse. These services will be offered to departing

employees, their families, involved managers, and other staff involved in the restructuring activity, for up to two years as applicable.

The program also will communicate and coordinate with appropriate community service agencies to request resources, alert them to possible increases in requests for services, and otherwise inform them of potential changes in the community that may impact their agencies.

7. Communication Program

A comprehensive, ongoing communications program will provide up-to-date information regarding center activities and special events. This program will include dissemination of classified advertisements, center events and special projects, and counselor and displaced worker communication. An overview of the main elements of this program, which will be implemented as needed, are as follows:

- A telephone information line, updated as appropriate, will play prerecorded messages outlining special events at the center.
- A calendar of events at the Outplacement Center will be posted within the main reception area of the center.
- A resource packet will be distributed to displaced workers and all outplacement staff outlining services available at the Outplacement Center. Information will include facility operation and layout, placement process/services, job search, contact lists, employee assistance, benefits summary, and unemployment registration information.

F. CONSTRUCTION WORKER BENEFITS

Construction workers who meet the eligibility requirements contained in Section II.A.3 of this Plan may elect to receive a one-time cash benefit in lieu of hiring benefits. Upon submission of objective and verifiable evidence that a worker meets the eligibility criteria, the worker will receive a benefit equal to two weeks base pay. For those whose documented site employment is equal to or greater than 10 years, the benefit will be increased to four weeks pay. For those with 15 years or more of site service, the benefit will equate to six weeks of base pay. In return for that benefit, construction workers will be required to waive their rights to hiring benefits. Construction workers who receive the special benefit will be restricted from employment at the DOE-ID INEL for a period not less than the period equal to the number of weeks' benefit received. This one-time benefit will not be applicable for temporary layoffs in which recall of workers is expected following seasonal or other intermittent breaks in work.

G. OTHER OPTIONS

DOE-ID considered employee leasing as a possible mechanism for meeting Section 3161 objectives regarding hiring . However, DOE-ID believes the approach it has outlined in this Plan is sufficient to meet statutory objectives. Options such as employee leasing, that may help mitigate the adverse impact to employees of a privatization, may be considered in Plan updates.

VI. FUNDING FOR PLANS

It is not anticipated that INEL will receive funds specifically appropriated by Congress for DOE-ID Section 3161 activities. Hence, the cost of funding Section 3161 benefits must be taken directly from the budgets of affected programs.

Incentive separation programs that are completed early in the fiscal year may result in net savings for the fiscal year, even after subtracting the Section 3161 separation costs. Net savings will be used to address funding short falls in ongoing programs. These funding decisions will be made with DOE-HQ input.

The following tables are projected costs and savings of the FY 95 Voluntary Separation Program together with the proposed involuntary separation program and attrition.

VOLUNTARY, INVOLUNTARY, AND ATTRITION

Case 1: Assumes total Downsizing of 1,750 (1,419 [including 624 participants in Early Retirement Program] in FY 1995 and 331 in FY 1996).

	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
<u>VOLUNTARY SEPARATION (Note 1)</u>			
Estimated Number of Participants	587	225	0
Costs			
Cash Incentive	\$ 12,354,296	\$ 4,916,700	\$ 0
Education (assumes 33% acceptance over 4 years)	242,138	626,075	585,117
Relocation (assumes 25% acceptance in first year)	293,500	105,140	0
Basic Training (assumes 20% acceptance over 2 years)	44,025	113,832	67,932
Health Insurance (assumes 100% in year 1 and 50% in year 2)	948,886	1,675,111	445,564
Life Insurance	<u>36,136</u>	<u>56,255</u>	<u>4,202</u>
Total Costs	\$ 13,918,981	\$ 7,493,113	\$ 1,102,815
Savings (Salary and Benefits)	<u>\$ 15,442,870</u>	<u>\$ 39,206,954</u>	<u>\$ 39,236,492</u>
Net Savings	<u>\$ 1,523,889</u>	<u>\$ 31,713,841</u>	<u>\$ 38,133,677</u>
<u>ATTRITION (Note 1)</u>			
Estimated Number	208	50	0
Costs	\$ 0	\$ 0	\$ 0
Savings (Salary and Benefits)	<u>\$ 5,636,280</u>	<u>\$ 12,037,368</u>	<u>\$ 12,708,084</u>
Net Savings	<u>\$ 5,636,280</u>	<u>\$ 12,037,368</u>	<u>\$ 12,708,084</u>
<u>INVOLUNTARY SEPARATION (Note 1)</u>			
Estimated Number	0	56	0
Costs (assumes all hired after 09-27-91)	\$ 0	\$ 0	\$ 0
Savings (Salary and Benefits)	<u>\$ 0</u>	<u>\$ 1,726,412</u>	<u>\$ 2,468,608</u>
Net Savings	<u>\$ 0</u>	<u>\$ 1,726,412</u>	<u>\$ 2,468,608</u>

Note 1: All costs and savings are discounted to present value using a 7% discount rate. A 2% annual increase is assumed in salary projections.

VOLUNTARY, INVOLUNTARY, AND ATTRITION

Case 2: Assumes total Downsizing of 2,250 (1,419 [including 624 participants in Early Retirement Program in FY 1995] and 831 in FY 1996).

	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
<u>VOLUNTARY SEPARATION (Note 1)</u>			
Estimated Number of Participants	587	350	0
Costs			
Cash Incentive	\$ 12,354,296	\$ 7,290,807	\$ 0
Education (assumes 33% acceptance over 4 years)	\$ 242,138	\$ 722,453	\$ 675,190
Relocation (assumes 25% acceptance in first year)	\$ 293,500	\$ 163,551	\$ 0
Basic Training (assumes 20% acceptance over 2 years)	\$ 44,025	\$ 131,355	\$ 84,309
Health Insurance (assumes 100% in year 1 and 50% in year 2)	\$ 948,886	\$ 1,989,850	\$ 577,954
Life Insurance	<u>\$36,136</u>	<u>\$68,746</u>	<u>\$6,537</u>
Total Costs	<u>\$ 13,918,981</u>	<u>\$ 10,366,762</u>	<u>\$ 1,343,990</u>
Savings (Salary and Benefits)	<u>\$ 15,442,870</u>	<u>\$ 44,631,662</u>	<u>\$ 45,441,952</u>
Net Savings	<u>\$ 1,523,889</u>	<u>\$ 34,264,900</u>	<u>\$ 44,097,962</u>
<u>ATTRITION (Note 1)</u>			
Estimated Number	208	50	0
Costs	\$ 0	\$ 0	\$ 0
Savings (Salary and Benefits)	<u>\$ 5,636,280</u>	<u>\$ 12,037,368</u>	<u>\$ 12,708,084</u>
Net Savings	<u>\$ 5,636,280</u>	<u>\$ 12,037,368</u>	<u>\$ 12,708,084</u>
<u>INVOLUNTARY SEPARATION (Note 1)</u>			
Estimated Number	0	431	0
Costs (assumes all hired after 09-27-91)	\$ 0	\$ 0	\$ 0
Savings (Salary and Benefits)	<u>\$ 0</u>	<u>\$ 13,287,206</u>	<u>\$ 18,999,464</u>
Net Savings	<u>\$ 0</u>	<u>\$ 13,287,206</u>	<u>\$ 18,999,464</u>

Note 1: All costs and savings are discounted to present value using a 7% discount rate. A 2% annual increase is assumed in salary projections.

VOLUNTARY, INVOLUNTARY, AND ATTRITION

Case 3: Assumes total downsizing of 2,250 (1, 419 [including 624 participants in Early Retirement Program in FY 1995] and 831 in FY 1996). Also assumes that 215 of those laid off involuntarily in FY 1996 will have hire dates that precede 09/27/91.

	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
<u>VOLUNTARY SEPARATION (Note 1)</u>			
Estimated Number of Participants	587	350	0
Costs	\$ 13,918,981	\$ 10,366,762	\$ 1,343,990
Savings (Salary and Benefits)	\$ <u>15,442,870</u>	\$ <u>44,631,662</u>	\$ <u>45,441,952</u>
Net Savings	\$ <u>1,523,889</u>	\$ <u>34,264,900</u>	\$ <u>44,097,962</u>
<u>ATTRITION (Note 1)</u>			
Estimated Number	208	50	0
Costs	\$ 0	\$ 0	\$ 0
Savings (Salary and Benefits)	\$ <u>5,636,280</u>	\$ <u>12,037,368</u>	\$ <u>12,708,084</u>
Net Savings	\$ <u>5,636,280</u>	\$ <u>12,037,368</u>	\$ <u>12,708,084</u>
<u>INVOLUNTARY SEPARATION (Note 1)</u>			
Estimated Number	0	431	0
Costs (assumes 275 hired after 09/27/91)			
Education (assumes 33% acceptance over 4 years)	\$ 0	\$ 82,886	\$ 154,926
Relocation (assumes 25% acceptance in 1st year)	\$ 0	\$ 100,467	\$ 0
Basic Training (assumes 25% acceptance over 2 years)	\$ 0	\$ 15,070	\$ 28,168
Health Insurance (assumes 100% in year 1 and 50% in year 2)	\$ 0	\$ 433,081	\$ 303,593
Life Insurance (assumes 100% in year 1 and 50% in year 2)	\$ 0	\$ 17,187	\$ 8,032
Total Costs	\$ 0	\$ 648,691	\$ 494,719
Savings (Salary and Benefits)	\$ 0	\$ <u>13,256,377</u>	\$ <u>18,955,381</u>
Net Savings	\$ 0	\$ <u>12,607,686</u>	\$ <u>18,460,662</u>

Note 1: All costs and savings are discounted to present value using a 7% discount rate. A 2% annual increase is assumed in salary projections.

OUTPLACEMENT CENTER COST ESTIMATES

	FY 95 (7 mo)	FY 96	FY 97
One time set up costs	66.0K		
Materials/Supplies	52.4K	55.0K	52.9K
Subcontracts	110.5K	71.3K	73.5K
Staffing*	347.3K	880.5K	537.2K
TOTALS	576.2K	1006.8K	663.6K
Facility Costs	40.6K	72.3K	75.2K

* Includes all staff services provided by LITCO (HR and Institute Training).

* Assumes 7 staff in FY 95; adding an additional 3 staff for FY 96; and decreasing 3 staff in FY 97.

(Staff = counselors, education program administrator, and support personnel.)

FY 96 and FY 97 includes 4% escalation in costs.

VII. APPROVAL AND UPDATE OF PLANS

A. APPROVAL OF THE PLANS

DOE-ID received written approval from the DOE Office of Worker and Community Transition before initiating both the FY 95 Early Retirement and Voluntary Termination Programs. Approval will also be obtained before any future incentive programs are initiated. Additionally, the final Plan will be submitted to DOE-HQ for the Secretary's approval and then submitted to Congress.

If it is necessary to implement an involuntary separation program, the policies and procedures regarding such programs set out in applicable guidance from the Office of

Worker and Community Transition and DOE Directive 3309.1A will be fully satisfied, including Secretarial notification and approval, as appropriate.

B. PLAN UPDATES

DOE-ID plans to update this document annually in accordance with the requirements of the National Defense Authorization Act for Fiscal Year 1993.

The updated plan will contain an evaluation of performance in the previous year as measured against the plan. This evaluation will include the number of workers receiving each benefit, the overall cost of each benefit, and the cost per participant of that benefit, together with information on retraining of retained employees and the reemployment of displaced workers. Any amendments to this Plan will be implemented, after appropriate consultation with the public and statutory stakeholders.

APPENDIX B

DRAFT VOLUNTARY SEPARATION PAYMENT PROGRAM **GENERAL RELEASE AND WAIVER**

This Voluntary Separation Payment Program, General Release and Waiver ("Agreement") is entered into by and between _____ ("Employee") and _____ ("Employer"), as part of Employee's voluntary election to terminate employment with the Employer.

IN EXCHANGE FOR THE PROMISES SET FORTH BELOW, THE PARTIES AGREE AS FOLLOWS:

1. Employee voluntarily terminates his/her employment with Employer effective _____. Employee agrees not to seek employment with or become employed at the _____ Site by the Employer or any other future or current contractor or subcontractor at the Site for a period of ____ year(s) from the date of Employee's resignation. This includes but is not limited to temporary employment service contracts, general task order assignments, indefinite quantity contracts, basic ordering agreements, and consultant contracts. However, this does not preclude Employee from employment with a company providing supplies, equipment, materials, or commodities to the Site under a fixed-price contract or purchase order.
2. Employee agrees that the Employer has no obligation to reemploy Employee in the future, and Employee waives any recall, rehire, or rehire preference rights, such as those that may arise under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993. Employee agrees to perform all steps required by Employer's policies and procedures at the separation of his/her employment.
3. Except as set forth in paragraph 4 below, Employee, on behalf of himself/herself and any person or entity entitled to sue on Employee's behalf, waives and releases Employer, its parents, subsidiaries, and affiliates, the Department of Energy, and their employees, officers, directors, shareholders, agents, and successors from any causes of action or claims, whether known or unknown, that arise out of the Employee's resignation and separation of employment with Employer and any causes of action or claims that arise out of Employee's employment with Employer, up to and including the date of Employee's resignation, under any federal, state or local law, including but not limited to the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act of 1990, Title VII of the 1964 Civil Rights Act, the Equal Pay Act, the Family and Medical Leave Act,

the Employee Retirement Income Security Act, and the Americans with Disabilities Act, or applicable state or local law. Employee will not assert any claim or cause of action released under this agreement in any administrative or judicial proceeding.

4. HOWEVER, Employee does not waive:

- (i) any causes of action or claims that arise out of Employee's employment with Employer, up to and including the date of Employee's resignation, that have been asserted in writing and filed with the appropriate agency or court prior to [the date on which this Program was announced],¹
- (ii) any rights or claims that may arise after the date this Agreement is executed,
- (iii) any claims relating to pension or retiree health benefits that currently may be accrued under the Company's standard retirement program,
- (iv) any claims under any applicable state worker's compensation laws, or
- (v) any claims for occupational injuries or illnesses arising from Employee's employment with Employer that are not known or reasonably knowable by the Employee at the time of the execution of this Agreement.

5. In exchange for Employee's voluntary separation and execution of this Agreement, Employer will give Employee the consideration and benefits outlined in the description attached to this Agreement [The identification number or other designation for the document describing the benefits constituting consideration for this Agreement should be inserted at this point]²

6. If Employee becomes employed as prohibited in paragraph 1 or otherwise violates any provision of this Agreement, then, in addition to any other remedies Employer has under this Agreement, Employer may require Employee to repay payments or other benefits under this Agreement, and Employee agrees to such repayment.

7. Employee has been advised to consider this Agreement and to consult with an attorney of his/her choice, and Employee has had the opportunity to do so. Employee has had the right to consider this Agreement for a period of at least forty-five (45) days prior to entering into this Agreement. Employee has the right to revoke this Agreement for a period of seven (7) days following execution of this Agreement by giving written notice to the local Human Resources representative. If Employee revokes the Agreement, it shall not be effective and

enforceable and Employee will not receive any of the benefits described in paragraph 5. Employee has read and understands the terms and contents of this Agreement, and Employee freely, voluntarily, and without coercion enters into this Agreement and agrees to be bound by its terms.

8. This Agreement constitutes the entire understanding and agreement of Employee and Employer and can only be modified in writing agreed to by both parties.
9. Employee has received all of the information required to be disclosed in these circumstances under the Age Discrimination in Employment Act regarding who is covered by the Program, the eligibility factors, the time limits of the Program, the ages and job titles of everyone eligible for the Program, and the ages of ineligible employees in the same job classification or organizational unit.

PLEASE READ THIS AGREEMENT CAREFULLY. IT CONTAINS A RELEASE OF *KNOWN³ AND UNKNOWN* CLAIMS AS DESCRIBED IN PARAGRAPH 3, ABOVE, SUBJECT TO THE LIMITATIONS EXPRESSLY SET FORTH IN PARAGRAPH 4.

Agree to:

Employee/date

[Employer]/date

1. The issuing organization should insert at this point a specific date on which the Separation Program involved was first announced. In determining this date, the issuing organization should consider the specificity of information provided to the public in work force restructuring plans issued pursuant to Section 3161, as well as the announcement of the individual separation program involved.
2. When this Agreement is used in association with early retirement programs, the following language should be added here: "Employer reserves the right to provide equivalent benefits in another form in the unlikely event that any aspect of the Program is improper under law."
3. Counsel should check to be sure that this aspect of the Model Release fully comports with applicable state or local law.

APPENDIX A
FY 1995 3161 ACTIVITIES

TABLE OF CONTENTS

INTRODUCTION	A-1
NOTIFICATION	A-2
STAKEHOLDER CONSULTATION AND REVIEW OF DRAFT PLAN	A-2
STAFFING STRATEGY PRIOR TO FY 95	A-3
WORK FORCE CONSOLIDATION AND ANALYSIS	A-4
WORK FORCE PLANNING AND STRATEGY	A-5
EARLY RETIREMENT INCENTIVE PROGRAM	A-5
VOLUNTARY SEPARATION PROGRAM	A-7
VOLUNTARY SEPARATION STATISTICS 1995	A-9
TOTAL INCENTIVE RESULTS	A-11
INVOLUNTARY SEPARATION PROGRAM	A-12
TOTAL COST OF FY 95 DOWNSIZING	A-12
APPRENTICESHIP PROGRAM	A-12
NEWSPAPER AD	A-15
120-DAY WORK FORCE RESTRUCTURING NOTICES	A-16
SKILLS INVENTORY SAMPLE DATA BASE	A-19
SAMPLE CROSSWALK TO COCS CODES	A-20
EXAMPLE OF SKILLS MATCHING	A-21

APPENDIX A
FY 1995 3161 ACTIVITIES

TABLE OF CONTENTS (Cont'd)

GENERAL RELEASE AND WAIVER	
EARLY RETIREMENT INCENTIVE PROGRAM	A-35
Summary report of the two public stakeholder meetings	A-22
A letter transmitting responses to written stakeholder comments	A-25
Previously circulated responses to stakeholders' written comments	A-26
STAKEHOLDER MAILING LIST	A-42

APPENDIX A

FY 1995 3161 ACTIVITIES

INTRODUCTION

Early in FY 95, the five existing DOE-ID contractors were consolidated to form LITCO. DOE began planning for work force restructuring at the point in the contracting process when it became clear that a change in the work force at DOE-ID INEL would be necessary as a result of the consolidation and budget concerns, but before any separation programs had been implemented. At that point, DOE-ID prepared an initial draft Work Force Restructuring Plan for the purpose of informing companies bidding on the consolidation contract of their potential obligations under Section 3161 and to facilitate stakeholder input during the development of a final 3161 draft plan.

In order to mitigate potential adverse impact as a result of any restructuring, DOE-HQ has adopted a policy of offering voluntary separation incentives prior to the completion and approval of the Restructuring Plan in appropriate circumstances. Thus, as set out in the August 24, 1994, Report of Under Secretary Charles Curtis on the Department's Worker and Community Transition Program, it was decided that the Department should authorize the implementation of early retirement and other voluntary separation incentives before the end of the 120-day planning period for development of a plan, since this would help minimize the number of involuntary layoffs. This was consistent with both the March 24, 1994, "Review of Revised Planning Guidelines for Work Force Restructuring" and the Interim Planning Guidance for Contractor Work Force Restructuring, dated April 5, 1995, which provide that approval of voluntary separation incentives can be sought and the incentives offered prior to completion of any new or modified work force restructuring plan order to minimize the number of involuntary layoffs necessary.

The downsizing at the INEL during FY 95 was the result of contract consolidation and was not related to changes in mission. Therefore, DOE-HQ informed DOE-ID that no additional funds would be available to defray the cost of incentive separation programs. In these circumstances, it was concluded that any incentive separation programs should be offered early in the fiscal year, while the stakeholder consultation process was still underway, in order that the cost of such programs could be offset by the savings realized during the remainder of the fiscal year and involuntary separations could be avoided to the extent possible.

Accordingly, the INEL conducted an Early Retirement Incentive Program (ERIP) and then a Voluntary Separation Program (VSP) at DOE-ID INEL early in FY 95 after a draft work force restructuring plan had been submitted to stakeholders for comment. A total of 624 employees separated pursuant to the ERIP and 587 employees separated pursuant to the VSP, for a total reduction in force of 1211 employees achieved through voluntary means in FY 95. Because of

the success of these programs, it was not necessary to conduct any involuntary reduction-in-force program during FY 95 at DOE-ID INEL.

NOTIFICATION

Pursuant to Section 3161, DOE-ID notified regular, full-time INEL employees, temporary, part-time INEL employees, subcontractor companies, community leaders, the news media, and state and local governments on November 22, 1994, that a significant restructuring would occur which would result in a reduction in employment of 1250 employees by the beginning of FY 96. On February 16, 1995, a second notice of work force restructuring was issued identifying the possibility of further employee reductions of up to 1,000 additional employees by the beginning of FY 97.

STAKEHOLDER CONSULTATION AND REVIEW OF DRAFT PLAN

The preliminary draft plan was sent to stakeholders on December 12, 1994, for written comment. All commentators received written replies from DOE-ID which responded to their concerns prior to the public stakeholder meeting. Additionally, the draft plan was made available to all employees, to subcontractor companies, and to representatives of labor unions representing employees at the INEL. The draft was available for review at the Department of Energy's Public Reading Rooms, at University Place INEL Technical Library facility, and at the Idaho Falls Public Library. It was also available in the DOE-ID Outreach offices in Boise, Pocatello, and Twin Falls. In addition, copies were sent to the Idaho State University, Boise Public Library, Twin Falls Public Library, Shoshone-Bannock library in Fort Hall, and the University of Idaho library in Moscow. An advertisement was placed in area newspapers inviting stakeholders to review the draft plan and provide DOE-ID with their comments.

Stakeholders were invited to respond with ideas to the complete plan with emphasis in the following areas of the plan:

- Human resource planning
- Retention of core competency
- Early retirement incentive
- Retraining for retained employees
- Retraining through LITCO Apprenticeship Program
- Retraining for terminated employees
- Tuition reimbursement plan

- Outplacement assistance program
- Employee assistance program
- Relocation assistance
- Incentive Pay
- Extension of medical benefits
- Community assistance.

Comments were entered into a computerized database to facilitate logging, tracking, and developing a report to include an overall summary assessment of the general themes, proposals, concerns, and questions. All comments were considered for input into the restructuring plan.

Stakeholder meetings were held in Idaho Falls and Pocatello on January 12 and 17, 1995, respectively. These meetings were publicized in advance through local newspaper ads (See page A-15). The comments received during these meetings are summarized starting on page A-25. On April 26, 1995 the draft Plan was again sent to stakeholders for comment. Comments were due by May 12, 1995. A total of seven comment letters were received. The plan was subsequently revised and distributed to stakeholders again for comment in the same manner as described above. The distribution was made on December 22, 1995, with comments due January 12, 1996.

The FY 95 work force restructuring programs at DOE-ID INEL were significantly shaped by this consultation process. As a result of stakeholder input, the ERIP window was extended and the waivers and releases were significantly clarified. The Section 3161 eligibility requirements were modified to allow for a one-year break in service without loss of eligibility. The VSP was expanded to allow part-time employees to receive benefits on a prorated basis. The result of this consultation and planning process is a Work Force Restructuring Plan specifically tailored to conditions at the DOE-ID INEL.

STAFFING STRATEGY PRIOR TO FY 95

At the direction of DOE, DOE-ID contractors began taking steps prior to FY 95 to control staffing levels in anticipation of the consolidation contract, reduced defense program funding, and a redirected mission. These steps were taken with the intent of supporting critical, priority work, while minimizing the potential of future layoff(s) of employees.

Among these measures were:

- Altering local recruitment practices by:

- discontinuing the practice of distributing applications for employment upon request, and
 - responding to resume submittals with a statement acknowledging only limited staffing activity.
- Realignment of administrative support services to support critical needs areas.
 - Using attrition to reduce staffing levels.
 - Redistributing duties from vacated positions to positions that would otherwise be in jeopardy of reduction.
 - Implementation of company policies limiting external hiring of regular, full-time personnel to those positions involving critical skills unavailable in the existing work force.
 - Increased use of temporary workers to cover peak staffing needs.
 - Voluntary separation incentives for one of the five previous DOE-ID prime contractors.

WORK FORCE CONSOLIDATION AND ANALYSIS

During FY 95, the LITCO work force was restructured to meet new mission requirements and to achieve increased operational efficiency primarily through the consolidation and elimination of noncritical and redundant functions previously performed by the five separate contractors, especially in the administrative and operations support areas. All categories of employment, including management, scientists and engineers, professional exempt, technicians, administrative support, and bargaining unit employees, were impacted. The impact of this restructuring was the greatest within the management, administrative, and site support functional areas as LITCO reduced the ratio of support functions to program positions.

LITCO created a single job classification structure into which the employees of the five predecessor contractors were placed. The common job classification structure defines minimum education and years of experience requirements as well as a salary range for each job classification. In those cases where an employee is placed in a new salary range that has a maximum pay lower than the employee's current salary, the employee's salary may have been reduced.

LITCO reviewed current and projected funding authorizations through 1997 to identify skills requirements for the various programs and determine an affordable level of support functions.

WORK FORCE PLANNING AND STRATEGY

DOE did not anticipate that growth in environmental restoration program areas would be sufficient to offset the decrease in defense program and reactor operations areas. Therefore, reductions in force of employees engaged in defense programs and reactor operations, as well as a proportionate reduction of employees engaged in support functions, appeared likely.

In short, DOE-ID anticipated that all areas would be impacted to some degree. Accordingly, DOE has followed the strategy of minimizing the number of regular employees to be involuntarily separated by early implementation of the VSP and ERIP. LITCO has also continued to implement strategies to streamline organizational structures, consolidate functions, and reduce management layers. LITCO reviews its organizational structure on an ongoing basis to determine how to streamline the management team to reduce management positions and associated administrative support positions (both of which are included in the indirectly funded work force). LITCO also undertook a strategic initiative to review staffing patterns generally with a goal of identifying which tasks and positions can be eliminated or combined.

In parallel with the above process, a program has been implemented to identify those individuals who have knowledge and skills, that represent a core competency that would be required if in the future the Department of Energy needs to increase emphasis on nuclear reactor research crucial to the Nation's defense needs. Attempts will be made to retain those individuals, where appropriate.

EARLY RETIREMENT INCENTIVE PROGRAM

DOE-ID developed an early retirement package for all DOE-ID INEL employees who were eligible for early retirement as of January 31, 1995. LITCO notified employees of the ERIP on November 21, 1994. From November 21 until January 20, 1995, eligible employees could submit notification of intent to separate pursuant to the early retirement incentive program. Because of stakeholder response, the window for electing to participate in the ERIP was extended to January 27, 1995. Employees participating in the ERIP had to be off LITCO payrolls by January 31, 1995. The window to elect to participate in the ERIP program was briefly reopened from February 17, 1995, until February 24, 1995, for employees who met the same eligibility requirements. Those employees had to be off LITCO payrolls by February 28, 1995. The DOE-ID and the contractor had estimated that 530 of the eligible employees would elect to participate in the ERIP. Actual participation was 624 employees.

Employees electing early retirement under the ERIP received a monetary incentive. The amount of the benefit was determined by adding three years to the employee's age and three years to the credited service, then calculating benefits under the current pension plan. In addition, they received an incentive pay based on salary level as follows:

- < \$40K received eight months pay
- \$40K to \$50K received six months pay
- \$50K to \$60K received three months pay
- > \$60K received one month pay

Incentive pay for full-time employees was prorated according to the number of hours actually worked in the preceding year.

Employees who elected to take early retirement benefits agreed to the following permanent restrictions on reemployment with on-site contractors in order to protect the long term cost savings to the Government associated with financing the enhanced benefits:

- No rehire to any full-time position with Lockheed Idaho Technologies Company or Coleman Research Corporation.
- Rehire for available part-time positions will be limited and will require approval by the Vice President of Business Management and the Vice President of Human Resources.
- Personal Services (consulting) contracts with LITCO to perform the same work which was performed as a LITCO employee will require approval by the Vice President of Business Management, the Vice President of Human Resources, and the Department of Energy. Personal service contracts will only be allowed when warranted by special circumstances in which there is a clear benefit to the DOE-ID mission.

COSTS and SAVINGS (estimated)

	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>
Number of Participants	624	0	0
<u>Costs:</u>			
Cash Incentive	\$ 9,962,663	\$ 0	\$ 0
Cost to fund (Note 1)	\$ 0	\$ 2,097,393	\$ 1,960,180
Cost to Backfill (Note 2)	\$ 0	\$ 5,642,524	\$ 5,378,854
Total Costs	<u>\$ 9,962,663</u>	<u>\$ 7,739,917</u>	<u>\$ 7,339,034</u>
<u>Savings:</u>			
Salary and Benefits (Note 3)	\$ 26,824,756	\$ 30,989,838	\$ 26,129,665
Net Savings	<u>\$ 16,862,093</u>	<u>\$ 23,249,921</u>	<u>\$ 18,790,631</u>

- Note 1: The cost to fund the increased pension liability caused by the "3+3" early retirement program is based on actual retirees who accepted the program. The total cost was spread over a 10-year period to reflect the actual funding, and was discounted to present value using a 7% discount factor.
- Note 2: Estimated cost to backfill (including salary and benefits) assumed all employees were hired effective 10-01-95. Costs were discounted to present value using a 7% discount factor. A 2% annual increase was factored into backfill salary costs.
- Note 3: Salary and benefits savings were determined under the assumption that employees under age 63 would work to age 63, and that employees age 63 and over would work an additional 6 months. Salary and benefit amounts were discounted to present value using a 7% discount factor. A 2% annual increase was factored into salary savings.

VOLUNTARY SEPARATION PROGRAM

Prior to the start of the voluntary separation program, LITCO's senior staff determined appropriate staffing levels for each branch based on known work scope requirements, planned reductions in services, and anticipated separations as a result of the ERIP. On February 15, 1995, branch heads were provided written instructions with respect to the first step of the process. The management team within each branch identified work disciplines or job classifications with employees whom LITCO would have to replace from outside LITCO if an employee in such work discipline or classification left the company, taking into account the results of the early retirement program. Employees in such work disciplines or job classifications (Category A employees) were not eligible for the Voluntary Separation Program. The branch heads grouped all other employees (Category B employees) by work discipline or classification and submitted the lists to Human Resources on February 24, for consideration and review. Senior Management encouraged each branch to give as much consideration as possible to each candidate.

On February 28, Human Resources distributed information to employees by branch which identified work disciplines and job classifications in which volunteers would be accepted. Eligible employees in such classifications were invited to submit a written request for consideration to Human Resources between February 28 and March 14.

The volunteers' names were forwarded to their respective line managers for consideration. Each branch reviewed the list by March 22 to determine if there was an excess of volunteers for any work discipline or job classification. By comparing the projected skills requirements to the inventory of skills existing in the current work force, the company determined how many employees would be needed in particular classifications. LITCO assessed the feasibility of retraining the individuals currently employed in areas where there were excess employees for work in areas where there would otherwise be a need for outside hiring if all volunteers were

accepted for participation in the VSP. Selections were based on seniority; applications from the most senior employees were accepted before those from less senior employees. Seniority for nonrepresented employees was based on recognized service date. For represented employees, it was determined in accordance with the applicable labor contract. The skills required were expressed in terms of common occupational classifications, as well as LITCO job classification levels. In an effort to avoid any involuntary layoffs, LITCO accepted, in some cases, more voluntary terminations than originally planned with the intent to transfer from resulting areas of lower priority to areas of need. A sample data base from the skills inventory, a sample translation to the terminology of the Common Occupational Classification System (COCS), and an example of matching skills requirements with existing employee skills are included in this Appendix.

Employees, whose requests for voluntary separation were accepted, were notified on March 24, and their last day on LITCO's payroll was March 31, 1995. As set forth below, applications for participation in the VSP were received from 637 eligible employees, of which 587 (or over 90%) were approved. In many instances internal replacements were not needed; in some cases they were.

VOLUNTARY SEPARATION STATISTICS 1995

BRANCH NAME	ELIGIBLE REQUESTS	APPROVED	NOT APPROVED
PRESIDENT'S OFFICE			
TECHNOLOGY TRANSFER OFFICE			
GENERAL COUNSEL	1	1	
COMMUNITY ECONOMIC DEVELOPMENT			
REGULATORY AFFAIRS	8	8	
OFFICE OF DIVERSITY/COMPLIANCE	1	1	
PUBLIC AFFAIRS	10	10	
INTERNAL AUDIT			
INEL INSTITUTE	24	18	6
HUMAN RESOURCES	10	10	
ENVIRONMENT, SAFETY & HEALTH	60	60	
QUALITY ASSURANCE & OVERSIGHT	13	13	
MISSION DEVELOPMENT OFFICE	3	3	
BUSINESS MANAGEMENT	97	66	31
ENVIRONMENTAL OPERATION	65	59	6
APPLIED ENG & DEV LABORATORY	54	54	
NUCLEAR OPERATIONS	80	73	7
SITE SERVICES	211	211	
TOTAL	637	587	50

Voluntary separation incentives were developed to maximize the number of employees able to leave the DOE-ID INEL of their own choice, thereby reducing the number of workers who would have otherwise been involuntarily terminated. Employees who were accepted for participation in the Voluntary Separation Program received a lump sum payment equal to six months pay. Employees separating pursuant to the VSP were also entitled to the following benefits:

- Life insurance: Life insurance paid for by LITCO will be provided for up to one year following separation.
- Medical insurance: Under the DOE Displaced Worker Health Benefit Program, medical coverage will be available for employees and their eligible dependents following separation from employment, provided they are not eligible for such coverage under another plan. For the first year, the former employee pays the active employee premium rate. For the second year, the former employee can continue coverage at half the COBRA rate, i.e., 102% of the active employee premium. For the third year and following years, the former employee may opt to continue coverage by paying 100 percent of the COBRA rate. Employees were also advised of their rights under COBRA. Employees may continue dental and vision coverage for the required COBRA period of 18 months at the full COBRA rate.
- Educational assistance: Education expenses will be provided up to \$10,000, not to extend beyond four years and subject to termination upon employment with the DOE or one of its contractors or with another employer that provides any form of educational assistance. The \$10,000 ceiling can be increased with non-DOE supplied funds, including scholarships, Job Training Partnership Act (JTPA) funds, defense conversion funds, or other available job training financing.
- Relocation assistance: Maximum of \$2,000 of assistance may be provided in those cases where the hiring company does not otherwise offer relocation, as set forth above. Relocation expenses are available for up to four years following the termination date.
- Retraining: The same as provided in the main plan.
- Outplacement assistance: The same as provided in the main plan.

Employees electing to participate in the VSP were subject to the same restriction on reemployment at the INEL as employees participating in the ERIP, but only for a period of three years.

COSTS and SAVINGS (estimated)		<u>FY 1995</u>
Number of Participants		587
<u>Costs</u>		
Cash Incentive	\$	12,354,296
Education (assumes 33% acceptance over 4 years)	\$	242,138
Relocation (assumes 25% acceptance in 1st year)	\$	293,500
Basic Training (assumes 20% acceptance over 2 years)	\$	44,025
Health Insurance (assumes 100% in year 1 and 50% in year 2)	\$	948,886
Life Insurance	\$	36,136
Total Costs	\$	13,918,981
<u>Savings</u> (Salary and Benefits)	\$	15,442,870
Net Savings	\$	1,523,889

TOTAL INCENTIVE RESULTS

The 624 early retirees included 185 scientists and engineers, 221 other professionals, 40 nonexempt technicians, 133 bargaining unit and 45 administrative support employees. Only 16% of those taking the early retirement incentive were in the category of employees that would require outside hiring to replace.

The 587 employees separating pursuant to the VSP included 8 management and supervisory personnel, 94 scientists and engineers, 172 other professionals, 83 technicians, 124 administrative support personnel, and 106 bargaining unit employees. Because voluntary separations were restricted to areas where downsizing was needed, there was no outside hiring to fill positions vacated by employees participating in the VSP.

Generally, the programs achieved our goal of reduced manpower in a number of administrative and support functions which were targeted for significant reductions. The final impact with respect to directly and indirectly funded positions can not yet be assessed inasmuch as managers are now in the process of reallocating personnel to ensure a proper distribution among the funding sources.

INVOLUNTARY SEPARATION PROGRAM

Following closure of the Voluntary Separation Program, LITCO evaluated its downsizing requirements and determined that no involuntary separations would be required FY 95.

TOTAL COST OF FY 95 DOWNSIZING

The costs of the downsizing programs conducted during FY 1995 is set forth below:

Early Retirement	624	*\$	28,725,061
Voluntary Separation	587	\$	13,918,981
Attrition			
Actual for FY 1995 to end of May	204		-0-
Additional Projected	100		-0-
Total Employment Reduction	1,515		
Total Cost for FY 1995 Downsizing		\$	42,644,042

*This is an 11-year total to include the final year of pension funding.

APPRENTICESHIP PROGRAM

The apprenticeship program is conducted by LITCO and designed to increase the skills of individuals while providing a pool of additional skilled workers to the INEL. The program is registered with the Bureau of Apprenticeship and Training, U.S. Department of Labor. Apprenticeships last an average of three to four (3-4) years, and there is no guarantee of a position upon completion of the apprenticeship. DOE-ID has obtained approval from the Department of Labor to expand the Apprenticeship Program to include employees who meet the Section 3161 eligibility test and who have been involuntarily terminated or identified for termination at DOE-ID INEL. There is a probationary period of six (6) months for new apprentices. Eligible workers, as defined below, can apply for the apprenticeship program. Workers accepted into the apprenticeship program are not entitled to any other 3161 benefits.

Eligibility:

- At least 18 years of age,
- Meet Section 3161 eligibility requirements,

- Involuntarily separated or identified for involuntary separation, and
- Capable of being trained to perform essential functions of classifications for which apprenticeship is conducted.

There are approximately 700 occupations now listed by the Bureau of Apprenticeship & Training, U.S. Department of Labor, as appropriate for apprenticeship programs. LITCO has the following crafts for which apprenticeship programs are appropriate:

Carpenter	Machinist
Electrician	Maintenance Mechanic
Fitter	Painter
Instrument Mechanic	Service Disposal Operator
Insulator	Sheetmetal Mechanic
Lineman	Utility Operator
Locksmith	Welder
	WERF Operators

- * In order to ensure that the apprenticeship program can comply and to assist in the retraining of workers identified for layoff, the LITCO Apprenticeship Program can be modified consistent with the National Defense Authorization Act of 1993 Section 3161, as interpreted and implemented by DOE.

Process:

1. Application. The individual sends a notegram to LITCO Union Relations, indicating his or her choice of classification. An individual may apply for more than one classification, using separate notegrams.
2. Position(s). There must be a recognized need for an apprentice, as shown by an approved LITCO requisition. The ratio of apprentices to journeyman will also be a factor in LITCO's approval of apprenticeship requisitions.
3. Selection. Several sources of information are used to select apprentices, including:
 - a. Official employment and personnel records,
 - b. Results of any applicable aptitude tests, and
 - c. Results of the Joint Apprenticeship Training Committee's (JATC) interview process, which seeks indication that the individual is sincere in their interest in an apprenticeship.

4. Apprenticeship agreement. The successful applicant must sign an apprenticeship agreement, which is registered with the Bureau of Apprenticeship and Training, U.S. Department of Labor.

NEWSPAPER AD

The Department of Energy,
Idaho Operations Office

.....
IS SEEKING YOUR
COMMENT

On the draft Department of
Energy, Idaho Operations
Office Workforce
Restructuring Plan.

Stakeholders are invited to
view a copy of the plan and
provide written comments
to Luella Bennett, U.S.
Department of Energy,
Idaho Operations Office,
785 DOE Place, Idaho Falls
ID 83415-1152.

*Written comments must
be received by
December 30, 1994.*

Copies of the draft plan are
available for review in the
Department of Energy's
Public Reading Rooms at
University Place INEL
Technical Library, 1778
Science Center Drive, Idaho
Falls; and the Idaho Falls
Public Library, 457
Broadway, Idaho Falls.

It is also available at the
following locations:

INEL Boise Office
816 W. Bannock, Suite 306

Boise Public Library
715 S. Capital Blvd.

INEL Pocatello Office
1651 Alvin Ricken Drive

Idaho State University
Library, 741 S. 7th Ave.

INEL Twin Falls Office
233 2nd Street, Unit B

Twin Falls Public Library
434 2nd St

Shoshone-Bannock Library
HRDC Building
Bannock and Pina

University of Idaho Library
Rayburn Street



120-DAY WORK FORCE RESTRUCTURING NOTICES



Department of Energy

Idaho Operations Office
850 Energy Drive
Idaho Falls, Idaho 83401-1563
November 21, 1994

INEL Employees and Stakeholders

SUBJECT: Workforce Restructuring

Dear Ladies and Gentlemen,

With the consolidation of five contracts into one new contract we anticipated that there would be some duplication of some positions and the necessity to restructure so that our new contractor, Lockheed Idaho Technologies Company, LITCO, can realize the efficiencies they have projected. It is LITCO's intent to reduce employee numbers by 1250 by September 30, 1995. Steps are being taken to mitigate any negative impact to our employees.

The DOE-ID is currently developing a Workforce Restructuring Plan, as required under the provisions of section 3161 of the National Defense Authorization Act of 1993. In drafting the Restructuring Plan, we intend to follow the guidance provided by DOE-HQ including full stakeholder input and participation. The draft plan will be distributed to stakeholders for comment. Part of the Restructuring process will include a skills inventory to match program needs with employee skills assuring that all available talent can be fully utilized. Additionally, a retirement incentive package will be offered during the next two months to those employees who are currently vested in the INEL Retirement Plan and who wish to retire early. After the Early Retirement Program, a Voluntary Termination Program will be offered.

We intend to keep the employees of the INEL and the public fully informed as this process proceeds and will look to your comments as we work through this change together.


J. M. Wilczynski
Manager



Department of Energy
Idaho Operations-Office
850 Energy Drive
Idaho Falls, Idaho 83401-1563

February 16, 1995

INEL Employees and Stakeholders

SUBJECT: Work Force Restructuring

Dear Ladies and Gentlemen:

Recent budget cuts to the overall DOE budget necessitate additional employment reductions at the INEL. Originally I announced a down sizing of 1,250 due to consolidation. It is now estimated that the total employment reductions resulting from both consolidation and budget cuts may result in an increase of an additional 1,000 by the beginning of FY-97.

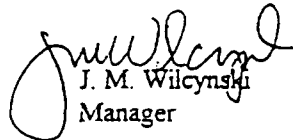
The current draft Work Force Restructuring Plan will be modified to reflect the increased number. The mitigating programs currently identified in the Plan will be used. Those programs include educational and retraining assistance to prepare employees for new careers, medical benefit extensions to ensure displaced workers and their families will not be without medical insurance, relocation assistance, outplacement assistance, a comprehensive computer data base that matches skills of the displaced employees with job openings across the country, and a voluntary termination package.

Prior to any involuntary layoffs, the INEL skills inventory will be updated to allow employees to update the information currently contained in the data base for him/her. This information will be used to reassign rather than lay off individuals in those cases where new responsibilities can be assumed with a reasonable amount of orientation or retraining. Concurrent with this process, LITCO will be performing a needs assessment to identify areas where additional emphasis, as a result of mission change, will require the transfer of employees.

Because the full impact of the budget cuts was not known when INEL employees signed up for the early retirement incentive package, we will be opening another window for those employees to sign up from February 17th to the 24th. This window will only be available to those employees who were eligible for early retirement as of January 31, 1995.

We intend to keep the employees of the INEL and the public fully informed as this process proceeds and will look to your comments as we work through this change together.

Sincerely,



J. M. Wilcynski
Manager

SKILLS INVENTORY SAMPLE DATA BASE

HIRE DATE	SAL	ORG	JC	JOB DESCRIP	WD	WD DESCIP	DEGTY	DEGFld1	DEGTYDEGFld2	SKIL SKIL_DES1	SKL_SKL_Des2
11/02/92	3982	1110	BX3XX	SR TECHNICAL SPEC	E11	MECHANICAL	BACH	CORPORATE TRAI		41G NUCLEAR SAFETY, LICENSING & REGULATIONS	56G PROJECT MANAGEMENT, GENERAL
01/10/77	3341	3230	BX4XX	PR TECHNICAL SPEC	P17	PROJ MANAGEMENT/NON S&E				47C MANAGEMENT SYSTEMS & PROGRAMMING	33C DATA BASE MANAGEMENT
11/19/71	4210	5110	BX4XX	PR TECHNICAL SPEC	F05	FAC OPERATIONS/NON-NUC				15Z TECHNICAL LEADER	10F BUILDING/FACILITY MANAGEMENT
11/21/77	3823	5110	BX4XX	PR TECHNICAL SPEC	F06	FAC OPERATIONS/NUCLEAR				16F FACILITY OPERATIONS, NUCLEAR	10F BUILDING FACILITY/ MANAGEMENT
06/16/60	5640	5210	BX5XX	CONSULTING TECHNICAL SPEC	F06	FAC OPERATIONS/NUCLEAR	BACH	CHEMICAL ENGR		32E CHEMICAL PROCESSES	13Z MANAGER, OPERATIONS
07/31/89	2890	2230	CX3XX	SR ADMIN SPEC	P15	PLANNING & BUDGETING	BACH	ACCOUNTING		32P PLANNING & BUDGETING	12P ACCOUNTING, TAX
11/16/92	3080	6631	CX3XX	SR ADMIN SPEC	P22	TECHNICAL WRITING/EDITING	BACH	JOURNALISM		39P TECHNICAL WRITING AND/OR EDITING	21P EMPLOYEE & PUBLIC COMMUNICATIONS
02/14/66	4157	2310	CX4XX	PR ADMIN SPEC	P21	SUBCONTRACT ADMIN	BACH	MECHANICAL ENG	MAST BUSINESS ADMIN	38P SUBCONTRACT ADMINISTRATION	35P PURCHASING AND/OR BUYING
04/02/79	4038	4150	EX3XX	SR ENGINEER/SCIENTIST	E07	ELECTRONIC				64E ELECTRONIC, GENERAL	40H SYSTEMS ENGINEERING, GENERAL
08/27/90	4583	4110	EX4XX	PR ENGINEER/SCIENTIST	E14	NUCLEAR/REACTOR	BACH	GENERAL ENGR	MAST GENERAL ENGINEER	41G NUCLEAR SAFETY, LICENSING & REGULATIONS	78G SAFETY, GENERAL
03/12/90	4100	6310	EX4XX	PR ENGINEER/SCIENTIST	E16	PROJECT MANAGEMENT	BACH	MECHANICAL ENG		55G PROJECT MANAGEMENT, CONSTRUCTION	56G PROJECT MANAGEMENT, GENERAL
01/09/84	4034	3250	EX5XX	STAFF ENGINEER/SCIENTIST	E08	ENVIRONMENTAL	BACH	COMPUTER SCIEN		27X WASTE MANAGEMENT PROGRAM SUPPORT	13X HAZARDOUS WASTE MANAGEMENT
05/07/80	4447	4110	EX5XX	STAFF ENGINEER/SCIENTIST	E14	NUCLEAR/REACTOR				39G NUCLEAR/REACTOR, GENERAL	41G NUCLEAR/REACTOR, LICENSING & REGULATIONS
05/11/76	6910	4110	EX8XX	ADVISORY ENGR/SCI	E14	NUCLEAR/REACTOR	BACH	MECHANICAL ENG	MAST MECHANICAL ENG	72G REACTOR SAFETY ANALYSIS	39G NUCLEAR/REACTOR, GENERAL
10/01/94	4610	1320	EX8XX	ADVISORY ENGR/SCI	E19	SAFETY	BACH	BUSINESS AD MIN		96E INDUSTRIAL SAFETY	78G SAFETY, GENERAL
05/10/78	5471	4110	EX8XX	ADVISORY ENGR/SCI	S10	PHYSICS	BACH	CHEMISTRY	MAST CHEMISTRY	75S SPECTROSCOPY	51S NUCLEAR PHYSICS
07/01/85	5577	4190	EX8XX	ADVISORY ENGR/SCI	Z04	MANAGER, SCI/ENG FUNCTION	BACH	CHEMISTRY		11S ANALYTICAL CHEMISITRY	15Z TECHNICAL LEADER
03/26/90	2038	2115	N3XXX	SR ADMINISTRATIVE ASSOC	A01	ACCOUNTING				10A ACCOUNTING	20A PROJECT MANAGEMENT SUPPORT
08/18/86	2115	6310	N3XXX	SR ADMINISTRATIVE ASSOC	A14	SECRETARIAL				13A ELECTRONIC PUBLICATIONS	18A MISCELLANEOUS CLERICAL
09/26/79	2473	2490	R4XXX	PR COMPUTER TECH	T11	PC OPERATIONS TECH				21T P.C. OPERATIONS TECHNICIAN	18T ILLUSTRATOR ARTIST
07/28/80	3236	6520	1120C	FITTER, 1ST CLASS	U16	FITTER				25U FITTER	38U MECHANIC
11/25/91	3236	6520	1144C	MACHINIST, 1ST CLASS	U26	MACHINIST				35U MACHINIST	38U MECHANIC
01/25/93	3205	3230	1148C	MECHANIC FIRST	U29	MECHANIC				39U MECHANIC INSPECTOR	31U LEADERMAN

NOTE: THE DATA BASE ACTUALLY CONTAINS UP TO 10 SKILLS PER PERSON.
WE HAVE PRINTED ONLY 2 FOR EASE IN READING AND HANDLING.

KEY:

SAL	=	Salary	DEGTY	=	Degree Type
ORG	=	Organizational Number	DegFld1	=	1st Degree Type
JC	=	Job Classification	Skil	=	Skill Code
Job Desc	=	Job Description	Skil des 1	=	1st Skill Description
WD	=	Work Discipline			
WD desc	=	Work Discipline Description			

SAMPLE CROSSWALK TO COCS CODES

JOB CLASS (JC)		WORK DISCIPLINE (WD)		COMMON OCCUPATIONAL CODING SYSTEM (COCS)		SKILL		SKILL	
BX3XX	SR TECHNICAL SPEC	E11	MECHANICAL	E070	MECHANICAL ENGINEERS	41G	NUCLEAR SAFETY ETAL	56G	PROJ MGMT, GENERAL
BX4XX	PR TECHNICAL SPEC	P17	PROJ MGMT NON S&E	P170	OTHER ADMIN & PROFESSIONAL	47C	MGMT SYSTEMS & PROG	33C	DATA BASE MGMT
BX4XX	PR TECHNICAL SPEC	F05	FAC OPS/NON NUC	P170	OTHER ADMIN & PROFESSIONAL	15Z	TECHNICAL LEADER	10F	BUILDING/FACILITY MGR
BX4XX	PR TECHNICAL SPEC	F06	FAC OPS/NUCLEAR	T030	ENGINEERING TECHS	16F	FACILITY OPS, NUCLEAR	10F	BUILDING/FACILITY MGR
BX5XX	CONSULTING TECH SPEC	F06	FAC OPS/NUCLEAR	E080	NUCLEAR ENGINEERS	32E	CHEMICAL PROCESSES	13Z	MANAGER, OPS
CX3XX	SR ADMIN SPEC	P15	PLANNING/BUDGET	P010	ACCOUNTANTS AND AUDITORS	32P	PLANNING AND BUDGETING	12P	ACCOUNTING, TAX
CX3XX	SR ADMIN SPEC	P22	TECH WRITING/EDIT	P160	TECH WRITERS/EDITORS	39P	TECH WRITING &/OR EDITING	21P	EMPLOYEE & PUBLIC COMMUNICATIONS
CX4XX	PR ADMIN SPEC	P21	SUBCONTRACT ADMIN	P030	BUYERS, PROCUREMENT & CONTRACTING SPECIALISTS	38P	SUBCONTRACT ADMIN	35P	PURCHASING AND/OR BUYING
EX3XX	SR ENGINEER/SCIENTIST	E07	ELECTRONIC	E040	ELECTRICAL ENGINEER	64E	ELECTRONIC, GENERAL	40H	SYSTEMS ENGINEERING, GENERAL
EX4XX	PR ENGINEER/SCIENTIST	E14	NUCLEAR/REACTOR	E080	NUCLEAR ENGINEERS	41G	NUCLER SAFETY ETAL	78G	SAFETY, GENERAL
EX4XX	PR ENGINEER/SCIENTIST	E16	PROJECT MGMT	M030	PROJECT & PROGRAM MGMT	55G	PROJ MGMT, CONSTRUCTION	56G	PROJ MGMT, GENERAL
EX5XX	STAFF ENGR/SCIENTIST	E08	ENVIRONMENTAL	E050	ENVIRONMENTAL ENGINEER	27X	WASTE MGMT PROG SUPPORT	13X	HAZARDOUS WASTE MGMT
EX5XX	STAFF ENGR/SCIENTIST	E14	NUCLEAR/REACTOR	E080	NUCLEAR ENGINEERS	39G	NUCLEAR/REACTOR, GENERAL	41G	NUCLEAR SAFETY, ETAL
EX6XX	ADVISORY ENGR/SCIENTIST	E14	NUCLEAR/REACTOR	E080	NUCLEAR ENGINEERS	72G	REACTOR SAFETY ANALYSIS	39	NUCLEAR/REACTOR, GENERAL
EX6XX	ADVISORY ENGR/SCIENTIST	E19	SAFETY	E120	SAFETY ENGINEERS	96E	INDUSTRIAL SAFETY	78G	SAFETY, GENERAL
EX6XX	ADVISORY ENGR/SCIENTIST	S10	PHYSICS	S070	PHYSICISTS	75S	SPECTROSCOPY	51S	NUCLEAR PHYSICS
EX6XX	ADVISORY ENGR/SCIENTIST	Z04	MGR, SCI/ENGR FUNC	M030	PROJECT & PROGRAM MGMT	11S	ANALYTICAL CHEMISTRY	15Z	TECHNICAL LEADER
N3XXX	SR ADMIN ASSOCIATE	A01	ACCOUNTING	G060	OTHER GENERAL ADMIN	10A	ACCOUNTING	20A	PROJECT MGMT SUPPORT
N3XXX	SR ADMIN ASSOCIATE	A14	SECRETARIAL	G040	SECRETARIES	13A	ELECTRONIC PUBLICATIONS	16A	MISC CLERICAL
R4XXX	PR COMPUTER TECH	T11	PC OPS TECH	T010	COMPUTER OPERATORS/CODERS	21T	PC OPS TECH	18T	ILLUSTRATOR ARTIST
1120C	FITTER, 1ST CLASS	U16	FITTER	C080	PLUMBERS & PIPEFITTERS	25U	FITTER	38U	MECHANIC
1144C	MACHINIST, 1ST CLASS	U26	MACHINIST	C040	MACHINISTS	35U	MACHINIST	38U	MECHANIC
1148C	MECHANIC, 1ST CLASS	U29	MECHANIC	C100	VEHICLE ETC MECHANICS	39U	MECHANIC INSPECTOR	31U	LEADERMAN

EXAMPLE OF SKILLS MATCHING

<u>Classification Of Vacancies Left By Voluntary Separation</u>	<u>Skills and Background Of Those Who Voluntarily Separated</u>	<u>Skill Codes Of Candidates</u>	<u>Skill Background Of Candidates</u>
<u>Exempt:</u>			
Assoc Admin Specialist	Planning & Budgeting	32P	Planning/Budget (25 Candidates)
Pr. Admin Specialist.	Budget & Control	16P	Budget/Control (2)
Advisory Engr/Scientist	Project Management	34P	Project Management (4)
Assoc Tech Specialist	Systems Analyst	15P	Budget Analysis (2)
Sr Admin Spec.	Project Mgmt Support	20C	Business Systems (1)
Admin Specialist	Planning & Budgeting	22F	Planning and/or Scheduling (1)
<u>Non Exempt:</u>			
Administrative Assoc.	Project Mgmt Support	17A	Planning/Budget (2)
Administrative Assoc.	Secretarial	23A	Secretarial (7)
Sr. Administrative Assoc.	Project Mgmt Support	20A	Project Mgmt Support (3)
Administrative Assoc.	Project Mgmt Support	11P	Accountin General (4)
<u>Exempt:</u>			
Compensation Analysts (3)	Compensation	17P	Compensation/Employment/ Recruiting (2)

SUMMARY OF PUBLIC STAKEHOLDER MEETINGS

Public meetings to receive stakeholder comments to the Draft INEL Work Force Restructuring Plan were held at the Shilo Inn in Idaho Falls on January 12th and at the Quality Inn in Pocatello on January 17th. Both meetings began at 7:00 p.m., and each lasted more than four hours. A Hearing Officer moderated the meetings and instructed attendees on the format for the evening, which included two phases. Attendance at the Idaho Falls meeting was estimated at over 700. The Pocatello meeting was attended by about 100 stakeholders. When all attendees who wished to present or ask questions had done so, the meetings adjourned.

In phase one, formal presentations were made, first by DOE Idaho officials, then by stakeholders. The proceedings began with remarks by the ranking DOE official present, Delores Ferri, Acting Deputy Manager, DOE Idaho. Luella Bennett, DOE Idaho Industrial Relations Specialist, then addressed the most commonly-asked questions received during the window for written comments. Ms. Bennett also informed the attendees of the changes that would be made to the draft plan as a result of written stakeholder comments.

In phase two, stakeholder questions, beginning with written questions, and ending with open questions from the floor, were addressed to a panel of DOE and Lockheed Idaho Technologies Company (LITCO) officials. At the Idaho Falls meeting, the panel consisted of Delores Ferri, Luella Bennett, John Denson, President of LITCO, Tom Heiserman, LITCO Vice-President of Human Resources, and Kenny Osborne, DOE Idaho Economic Development Coordinator. At the meeting in Pocatello, Robert Bardsley, DOE Idaho Industrial Relations Officer, and Scott Van Lente, Legal Counsel for the DOE Idaho, were added to the panel.

At the Idaho Falls meeting, a representative of Senators Larry Craig and Dirk Kempthorne, and Congressman Michael D. Crapo, made a statement. The Congressmen heard from over 200 individuals who were dissatisfied with the retirement incentive offer and viewed the package as less generous than packages offered at other DOE sites. The representative stated that the complaints had been presented to the DOE. DOE had responded, provided explanations and made changes. At the public meeting, the representative requested an extension of the deadline for application for the retirement incentive. An extension of one week was announced at the Pocatello meeting. The deadline to apply was extended from January 20th to January 27th, with the effective date for the retirement remaining January 31, 1995.

All of the comments and most of the questions at both meetings were about the Early Retirement Program. Many of the stakeholders who made formal presentations gave copies of their prepared remarks to the court reporter for inclusion in the public record. There were 23 formal stakeholder presentations at the Idaho Falls meeting and 29 in Pocatello. Nine of the presenters at the Idaho Falls meeting, also made presentations in Pocatello. All of the presenters were employee stakeholders, except one who is the spouse of an employee. The commenters also included a representative of the Oil, Chemical and Atomic Workers International (OCAW)

union local and a representative of the Guard Workers of America (UPGWA) union local. Eleven of the presenters were members of a group called the INEL Fairness and Equity Committee, which was formed to raise concerns about various provisions in the Early Retirement Program. Most of the members of this committee made presentations at both public meetings. Members of the committee sent numerous letters, both individually and as a group, to the Secretary of Energy, the DOE-ID Industrial Relations Specialist, the manager of the Idaho Operations Office, the Mayor of Idaho Falls, and their congressional representatives. Letters from the INEL Fairness and Equity Committee were signed by 13 members out of a retirement eligible employee population of 927.

The issues and concerns raised at the meeting were consistent with those received in writing. DOE-ID responded to each of the 141 stakeholders who submitted written questions or comments during the specified window of December 9 through December 31, 1994. All except three of those written comments were from employee stakeholders. Most of the comments were about the retirement incentive. Some posed questions about the Voluntary and Involuntary Separation Programs. A summary table of written questions and comments and responses to those stakeholders are included in this attachment.

Representatives of DOE Idaho and LITCO met on January 19th to evaluate stakeholder input on the Plan. One of the issues raised at the meetings was changes to the medical plan deductibles and out-of-pocket maximums. As a result of contract consolidation, the new contractor, LITCO, implemented changes in the health care benefits to be more consistent with the benefits offered to Lockheed employees nationwide. The changes were effective in January 1995. These new benefit provisions were not a part of the Work Force Restructuring Plan. However, implementation had an impact on retirees taking the retirement incentive offer. Therefore, a business decision was made, for medical plan deductibles and out-of-pocket maximums for retiring employees, to revert to the levels in effect at the INEL during calendar year 1994.

Another issue raised in the public meetings concerned possible reductions in salary as a result of reassignment to lower level positions. Employee stakeholders stated that, whether or not their salaries would be reduced, would affect their decision to take the retirement incentive. After the meetings, an announcement was made to resolve that issue. Employees who held supervisory/management positions prior to the restructuring, but are no longer in such positions, might have their salaries reduced. Such employees were advised to contact the compensation manager for more information. Employees who were not in supervisory/management positions and whose salaries exceeded the maximum of their new classification would be frozen until their salaries fell within the range.

One of the most frequently raised issues in the written and oral comments pertained to the legality of a waiver that employees participating the Early Retirement Program were required to sign. The waiver was developed by LITCO, not DOE, and was not in the plan. Several actions were taken in response to employee stakeholder concerns about the waiver. First, clarifications were distributed to employees on January 17th and 31st to correct misunderstandings about

various details in the waiver. The waiver was also reviewed by legal counsel who concurred with LITCO that the waiver meets legal requirements. In accordance with a stakeholder request made at the public meetings, the waiver used for the ERIP has been added to the plan on page A-35. However, it will not be used in the future. It will be replaced by a model issued by DOE-HQ for general use with incentivized separation plans throughout the DOE system. See Appendix B.

In response to concerns raised at the public meetings by the OCAW representative, provisions were added to the plan for LITCO to require subcontractors and sub-tier contractors to provide preference in hiring to displaced INEL employees.

Copies of the transcripts of the two public meetings, i.e., the public record, were distributed to reading rooms throughout Idaho for access by interested stakeholders.



Department of Energy

Idaho Operations Office
850 Energy Drive
Idaho Falls, Idaho 83401-1563

January 6, 1995

Addressee

Subject: Comment on 3161 Draft Work Force Restructuring Plan

Dear:

Thank you for taking the time to comment on the draft Work Force Restructuring Plan. Inasmuch as many of the concerns were expressed by more than one stakeholder, we have consolidated or summarized the questions and provided answers in an enclosure to this letter. If you cannot find your question in the enclosure or feel we have lost some of the essence of what you wanted to express, we suggest you come to one of the public stakeholders meetings to be held on January 12th and 17th in Idaho Falls and Pocatello, respectively. These meetings will give you another opportunity to help us form our final Plan.

For your information and consideration, I have put together some data on your individual benefit if you do elect to take the early out retirement incentive. According to the retirement actuary the average life expectancy is currently 80. Based on that projection, you could reasonably expect to collect your additional monthly retirement annuity of \$_____ for ____ years. This amounts to a projected additional benefit of \$_____ over your expected life time. Additionally, your cash incentive amounts to \$_____ for a total projected benefit of \$_____ from this early retirement package. I hope that this data will help you with your very important decision.

If you have any further questions, please plan to attend one of the public stakeholder meetings.

Sincerely,

Luella Bennett
Industrial Relations Specialist

Enclosure

PREVIOUSLY CIRCULATED (JANUARY 6, 1995) RESPONSES TO STAKEHOLDERS' WRITTEN COMMENTS

NOTE: The comments and responses set forth below relate to earlier editions of the Draft DOE-ID Plan. This current plan differs in several material aspects from prior editions. The final DOE-ID Plan will include a synopsis of comments received to this December 1995 Draft Plan.

1. Concern expressed that stakeholders have no real impact on the final Work Force Restructuring Plan.

RESPONSE: The draft Work Force Restructuring Plan is being changed as a result of stakeholder input. Two examples of recent changes are:

- A new paragraph has been added on page 10 under section IV, "Applicability," that reads, "2. Regular employees who have a break in service spanning September 27, 1991, so long as the break in service does not exceed one year, or" This allows employees who may have had a break in service that spanned the qualification date to qualify for benefits under the Plan.
- Appendix D has been amended to allow part time employees to qualify for some of the benefits under the Plan on a prorated basis.

2. The early retirement package offered by DOE-ID is age discriminatory.

RESPONSE: The cash incentive tied to salary is not age discriminatory. A look at the data clearly shows that age is fairly evenly distributed among the different age groups. (A graph is included for your review.) Adding three years to age was designed to reduce the penalty that younger employees experience (3% per year) if they retire before 62. It does not take anything away from those employees who are 62 or older and can already retire without penalty.

3. The cash incentive is unfair because it is based on salary and not year of service.

RESPONSE: The cash incentive was designed to target the group of employees who were the most vulnerable for involuntary separation. Blue collar and administrative positions are the most vulnerable and they are on average in the lower pay ranges. DOE-ID had the option of simply walling off those professions that we did not want to lose (scientists and engineers) and not offering them early retirement at all, as was done at other sites. However, we decided that a better option for our employees would be to offer the package to everyone but to more highly incentivize those employees we would not have to replace following their retirement. Higher paid employees have already been rewarded for their hard work by being compensated at a higher rate over the years. It

must also be remembered that taking the early retirement offer is strictly voluntary. If an employee with a high salary feels it does not meet his/her needs, then s/he can continue to work and collect the high wage.

4. **The inversely graduated incentive can penalize retirees by as much as \$12,500 for a salary difference of \$1.00 per year.**

RESPONSE: We recognize the impact this aspect of the incentive has on some individuals whose salaries fall close to the break points. However, it is cost-effective and it achieves the goals of a focused downsizing. All other options, e.g., a flat dollar amount, years of service, etc., did not.

5. **Cash incentives should be revised to give some recognition to those who have devoted years to getting good education, improving professional standing, and making significant contributions to the success of the INEL.**

RESPONSE: Individuals who sought and obtained the above mentioned attributes were more highly compensated through the years because of their efforts. The incentive was not intended to reward or penalize any of our employees. However, it should be remembered that those employees who worked equally hard at lower paying jobs also made a significant contribution to the success of the INEL.

6. **The age limit should be lower than 55.**

RESPONSE: Retirement benefits at each of the Department of Energy contractor sites vary significantly. One area in which they differ is the age at which, under the retirement plan document, an employee is eligible for early retirement. Our plan allows early retirement no earlier than age 55. In order to allow a lower age, we would have to pay additional money into the retirement fund to offset the additional liability. The amount we are required to pay into the fund with the incentives we have already proposed is over \$22K for each employee electing to take the early retirement offer.

7. **The Early Retirement Package being offered to the INEL employees is unequal to those offered at other sites.**

RESPONSE: Retirement plans at the different sites do not start off equal. They were all developed separately to address the specific needs of the employees in each region of the country. Therefore, the only way to compare for equality is to compare costs incurred. Using this measure it is evident that INEL is fair in comparison to other sites. (A chart is enclosed for your review.) We need to keep in mind that it is not fiscally responsible to design a package by simply combining the best features for the employees from each package into one highly lucrative package. The goal must be to achieve the desired

results while balancing the wishes of the employees against our responsibility to achieve program objectives and be accountable to the taxpayers.

8. The information provided to employees about other sites retirement plans contained errors and omissions.

RESPONSE: The data used for the communique with the employees was taken directly from the DOE-HQ report by Mr. Charles B. Curtis to the National Stakeholders.

9. We would like the Early Retirement Package changed to allow years not needed for age to be added to service.

RESPONSE: In order to allow the movements of years not needed for age to be added to service, we would have to pay more money into the retirement fund to compensate for the additional liability. Inasmuch as our plan as currently constructed will incur a comparable cost to what has been approved for other sites, it seems unlikely that such a change would be made.

10. Limitations on rehire.

RESPONSE: One of the main criticisms of previous early retirement incentives is that a substantial amount of money is spent to encourage employees to retire and they end up right back on the payrolls in some other form. A legitimate question then is what did we pay the extra money for if we still needed the separated employees' expertise. Therefore, an effort needs to be made to control rehiring without detriment to other goals (e.g., privatization of functions and competitive subcontracting). Within those guidelines, the restrictions for reemployment of participants in the Early Retirement Program are as follows:

- No rehire to any full-time position with Lockheed Idaho Technologies Company.
- Rehire for available part-time positions will be limited and will require approval by the Vice President of Business Management and the Vice President of Human Resources.
- Personal Services (consulting) contracts with LITCO to perform the same work which was performed as a LITCO employee will require approval by the Vice President of Business Management, the Vice President of Human Resources, and the Department of Energy. Personal service contracts will only be allowable when warranted by special circumstances in which there is a clear benefit to the LITCO mission.

11. **Concern about signing the LITCO general release and waiver in order to accept the early retirement incentives.**

RESPONSE: The LITCO legal department developed the waiver and release to be signed by employees accepting the early retirement incentive package. We are currently reevaluating the waiver. [LITCO has clarified the scope of the release. (See pages 39-41.)]

12. **The employees were not listed as stakeholder in the Work Force Restructuring Plan.**

RESPONSE: The listing of stakeholders in the draft Work Force Restructuring Plan was a list of those stakeholders that the plan was mailed to. Employees had access to the Plan at work. There was no intention to imply that the employees are not stakeholders.

13. **Repeated requests for the schedule of public meetings on the Work Force Restructuring Plan have not been answered.**

RESPONSE: The logistics for putting together this important and potentially large meeting took some time. The dates have now been set and LITCO will be getting the details out to all their employees. There also will be ads run in the local papers.

14. **The amount of the health insurance deductible is tied to a retiree's salary before retirement.**

RESPONSE: The amount of health insurance deductible is not a 3161 issue. Health insurance for retirees has always been tied to what their insurance features are just prior to retirement. I understand that a change is being made to the health insurance coverage effective January 1, 1995, just prior to the date for the retirees to leave and that some potential retirees feel that the change is financially detrimental to them. However, allowing a change in policy for this group of retirees could set a precedent for past and future retirees. It should be noted that the change to the insurance plan actually lowers the cost for those employees who currently make less than \$40,000.

15. **If a retiree dies before his/her spouse reaches the age of 65, she/he is no longer covered under the retiree's medical insurance.**

RESPONSE: Again, this is not a 3161 issue. The provision has been in place for a number of years. For your information, provisions for survivor medical benefits include coverage for covered dependents to continue until the earliest of the following: 90 days after the end of the month in which the employee/retiree dies, a dependent(s) is no longer eligible, a dependent(s) becomes eligible for Medicare, a dependent's coverage ends, a dependent(s) no longer makes contributions for coverage, or the plan ends. However,

dependents are eligible to elect continued coverage under COBRA, or convert their coverage.

16. When an employee retires, they lose their accumulated sick leave.

RESPONSE: This is not a 3161 issue because any employee who leaves employment forfeits their unused sick leave. Sick leave is not an entitlement but should be considered insurance. The company provides it to take care of cases where an employee, through no fault of their own, becomes sick and unable to come to work.

17. Where did the 9/27/91 date come from and are there exceptions?

RESPONSE: September 27, 1991, is the date of the announcement of the first unilateral reduction of our Nation's weapon stockpile. The Department of Energy recognizes the event as the end of the Cold War for purposes of minimizing the impact on employees who helped the country to win the Cold War.

There is one exception to the applicability of the date of September 27, 1991. Regular employees who have a break in service spanning this date are excepted if the break in service does not exceed one year. Reference question #1 of this attachment regarding a revision to the draft Work Force Restructuring Plan to establish this exception.

18. Request higher benefits or different combination of benefits, such as flat rate for cash incentive, extension of health insurance, more money for education, relocation, etc.

RESPONSE: Several options were considered in the process of developing an early retirement incentive. The major emphasis was to change the skill mix and to use the early retirement incentive as one way to help accomplish our goal. One option considered was not offering the early retirement incentive package to those groups of employees who we wanted to retain. However, it was felt this option would be unfair to some of our employees.

Other options considered were to tie the cash incentive to length of service, to offer a flat amount to all eligible employees or offer a set number of months pay. All these options were discussed with DOE-Headquarters, but none of them clearly supported our goal of changing the skill mix. After careful analysis, DOE-Idaho chose to recommend the incentive tied to pay, not as the perfect solution, but as the solution that more closely targets those individuals in redundant positions that we wish to incentivize.

Requests for additional benefits in one area or the other have additional cost as a common feature. Resources are limited and in order to offer a larger benefit in one area, we would have to decrease it in another.

19. Conversion plan for people on vacation dump system is unfair.

RESPONSE: Again, this is not a 3161 issue. However, the plan for converting people from the dump system to the accrual system has not been finalized. The proposed plan was implemented, but comments from employees are being reviewed to determine if this conversion plan should be changed.

20. Request inclusion of Attachment A to LITCO contract; general waiver and release; and statements on reemployment restrictions.

RESPONSE: a) Attachment A to the prime contract between the Department of Energy and Lockheed Idaho is not directly related to 3161 and the Work Force Restructuring Plan. Attachment A is a document of approximately 60 pages. It is not practical to attach the document because of the size of the plan and the attachment. We will however, assure that Attachment A is made available to employees and other stakeholders who wish to review the document. b) We will consider including the waiver and release in the Work Force Restructuring Plan. c) Question #10 of this attachment addresses the reemployment restrictions. Since these questions and answers will be included in the Work Force Restructuring Plan as an attachment, reemployment restrictions will be included in the plan.

21. DOE is not complying with the requirement to wait 120 days after the announcement of restructuring before taking adverse action.

RESPONSE: DOE is complying with 120 day requirement. Revised guidelines issued in the DOE Task Force Report on the Worker and Community Transition Program, dated August 26, 1994, state that the Department should authorize the implementation of early retirement and other voluntary separation incentives before the conclusion of the 120 day planning period. It is only the involuntary layoffs that must not be implemented until 120 days after the announcement of reductions in force. The rationale being that the voluntary programs minimize the number of involuntary layoffs.

22. Preference in hiring should apply to early retirees and voluntary termination, and not be restricted to those who are involuntarily separated.

RESPONSE: Employees who accept the early retirement incentive or the voluntary termination package do so voluntarily. It must be assumed that they have analyzed their individual situations before making their decisions and have planned for their future needs with either a reduced income, a job with a different employer, or a change in profession (using the educational assistance provided in the plan) which makes them more marketable. However, those individuals who are involuntarily separated may not have made plans for their future. Therefore, it is reasonable to give them first preference to available jobs.

23. **There should be a provision for retirees to get regular cost of living increases in their pensions.**

RESPONSE: DOE Order 3830.1, paragraph 7.A(3) provides that "automatic cost of living adjustments are prohibited. However, ad hoc adjustments may be permitted with prior Department of Energy approval."

24. **Will employees who take the voluntary separation be required to sign a waiver?**

RESPONSE: No.

25. **What is the voluntary termination process and what is the eligibility criteria?**

RESPONSE: After reviewing the impact of the early retirement program, Lockheed Idaho management will notify the work force by the end of February of voluntary separation eligibility. Essentially, employees in positions which would require external back filling if they left LITCO would not be eligible for the program. Those eligible employees who participate in the program will leave the LITCO payroll during March.

26. **Will voluntary separation be offered to those employees whose jobs are impacted by outsourcing?**

RESPONSE: Yes.

27. **What will be the date for the voluntary separation?**

RESPONSE: We are projecting starting the process in February. See Question #25.

28. **Would like to see all years of service to DOE contractors linked for one retirement benefit.**

RESPONSE: This would require a single Department of Energy retirement plan which we can not address. Such a system could not address the unique needs of individual facilities.

29. **Will early retirees be reimbursed for classes if they are enrolled on the date of termination?**

RESPONSE: No. Under the provisions of Attachment A to the LITCO contract, an employee must be on the payroll at the time the class concludes in order to be reimbursed.

- 30. Will tuition for Spring courses be reimbursed if someone volunteers for separation?**

RESPONSE: Yes. Money is allocated for education in the voluntary termination package.

- 31. Request inclusion of small business workshops in training.**

RESPONSE: We are currently exploring the possibility of including such workshops.

- 32. Can someone volunteer if they will be accepting a job at another DOE site?**

RESPONSE: Yes.

- 33. DOE should pay for education expenses even if the new employer provides educational benefits.**

RESPONSE: It would not be the best use of available DOE funds to pay for benefits that are readily available through other sources.

- 34. If an employee is denied the voluntary separation package, can they then be involuntarily laid off?**

RESPONSE: No. They would not be laid off in this fiscal year.

- 35. Are course materials in addition to the \$10,000 allocated for educational expense?**

RESPONSE: No. The \$10,000 is the total amount to be spent for education expenses of any kind.

- 36. Will LITCO make an effort to place involuntarily laid off employees at other Lockheed sites?**

RESPONSE: Yes.

- 37. Will DOE make an effort to place involuntarily laid off employees at other DOE sites?**

RESPONSE: Yes, through the JOBBBS system that is discussed in the Plan.

- 38. What is the process by which an employment extension is granted when an employee volunteers for early retirement?**

RESPONSE: The employee's manager must petition the LITCO President for the extension based upon significant benefit to the INEL mission.

- 39. What happens if an employee refuses to sign the waiver?**

RESPONSE: In accordance with LITCO guidelines, an employee vested in the INEL Retirement Plan who does not sign the waiver will not receive the early retirement incentive package, but should be eligible to receive a normal early retirement.

- 40. How long is the relocation assistance available?**

RESPONSE: For four years which corresponds to the years allocated for education.

- 41. Can relocation allowance be used for more than moving to a new job?**

RESPONSE: No. The relocation allowance was set aside specifically to help an employee move to a new job in those instances where the new employer does not provide for moving costs.

- 42. Can the same benefits be offered for both the voluntary and involuntary termination?**

RESPONSE: No. There would be no point in offering a voluntary package unless there is some added incentive to take it. Otherwise candidates would wait for the involuntary reduction.

- 43. What will be the effect of merit increases on cash incentives for delayed early retirees?**

RESPONSE: If an employee accepts the early retirement incentive package but is delayed in taking it because of LITCO program needs, s/he will be eligible for a merit increase along with all other active employees. S/he will be given the choice of taking the merit increase as a lump sum or as an addition to base pay rate.

**GENERAL RELEASE AND WAIVER
EARLY RETIREMENT INCENTIVE PROGRAM**

This Early Retirement Incentive Program and General Release ("Agreement") is entered into by and between _____ ("Employee") and LOCKHEED IDAHO TECHNOLOGIES COMPANY. ("Employer"):

WHEREAS, Employee has elected or will elect to retire pursuant to the terms of the Idaho National Engineering Laboratory Employee Retirement Plan as modified by this Agreement; Employee has been employed by Employer; it is agreed that this employment relationship will be terminated; and the parties are desirous of amicably resolving all matters between them arising out of or during Employee's employment by Employer and Employee's termination of employment from Employer;

NOW, THEREFORE, in consideration of the promises of the Employer set forth in paragraph 3 below, the mutual promises and covenants contained herein, and other good and valuable consideration, receipt of which is hereby Acknowledged;

THE PARTIES AGREE AS FOLLOWS:

1. Employee permanently and irrevocably terminates his/her employment with Employer effective January 31, 1995. LITCO does however reserve the right to delay your termination date if necessary to meet operational requirements.
2. Employee releases and discharges Employer and its parents, subsidiaries, affiliates, the Department of Energy, and their officers, directors, shareholders, employees, agents, successors, assigns, heirs, executors and administrators, from any and all claims, causes of actions, and demands whatsoever, which he/she had, has, or may have against Employer up until the date of the Employee's execution of this Agreement. This includes, but without limitation, any rights or claims Employee may have under: the Age Discrimination in Employment Act, which prohibits age discrimination in employment; the Older workers Benefit Protection Act of 1990; Title VII of the Civil Rights Act of 1964, which prohibits discrimination in employment based on race, color, national origin, religion, or sex; the Equal Pay Act, which prohibits paying men and women unequal pay for equal work; the Americans with Disabilities Act, which prohibits discrimination against individuals with disabilities; the Idaho Civil Rights Provisions, Chapter 73 of the Idaho Code which prohibits discrimination based on race, color, national origin, religion, sex, handicap, or marital status; any other federal, state or local laws or regulations pertaining to

INITIALED: _____
Date: _____

employment discrimination; and any common law claims for wrongful discharge, breach of implied contract, or that the Employer dealt with the Employee unfairly or in bad faith. Employee further agrees that he/she will not file any charge of discrimination under any of the above referenced laws and will never file a lawsuit asserting any of the claims that are released above.

In the event Employee does file a charge or brings suit against Employer for claims released hereby, Employee specifically consents and agrees to the full refund or return to Employer of any monies received pursuant to this Agreement as a condition precedent to filing such charge or bringing such suit.

This waiver and release does not waive any rights or claims that may arise after the date this Agreement is executed.

3. In full consideration of Employee's execution of this Agreement, and his/her agreement to be legally bound by its terms, Employer will provide the Employee with the following consideration, to which he/she would not otherwise be entitled:

- A. Employer agrees to pay an additional lifetime benefit by 1) adding 3 years of service to Employee's benefit calculation and 2) 3 years of age in determining the amount of early retirement penalty (3% per year between ages 55 and 62).*
- B. Employer also agrees to pay a one time cash incentive based on annual salary level in accordance with the following schedule:

<u>Base Pay</u>	<u>Months Pay</u>
\$40K or Less	8
>\$40K to \$50K	6
>\$50K to \$60K	3
>\$60K	1

* This program will not permit using years of age as additions to the years of service for purposes of calculating retirement benefits.

4. The parties acknowledge that the performance of the promises of each are expressly contingent upon fulfillment and satisfaction of the obligations of the other party as set forth in this Agreement.

INITIALED: _____
Date: _____

5. Employee hereby agrees and recognizes that his/her employment relationship with Employer has been severed and the Employer has no obligation to reemploy him/her in the future. Employee specifically waives any recall or rehire preference or rights to which he/she may have otherwise been entitled. Employee agrees to accomplish all steps required by Employer's policies and procedures at the termination of his/her employment.
6. Employee specifically Acknowledges that, in entering into this Agreement and paying the consideration for this Agreement, the Employer does not admit, and expressly denies, any liability of any kind to the Employee and any violation of any federal, state or local statute or regulation, or of any duty owed by Employer.
7. Employee agrees that this Agreement is a confidential document, as are all of the terms and conditions expressed herein, and that he/she will not communicate or disclose the terms of the Agreement to any person, with the exception of members of his/her family and his/her attorney or financial advisor.
8. Employee is advised at his/her expense to consult an attorney of his/her own choice prior to executing this Agreement.
9. Employee expressly warrants and represents that before executing this Agreement, he/she has fully informed himself/herself of the terms, contents, conditions and effect thereof; that in making the agreements represented by this Agreement, he/she has had the benefit of or the opportunity to seek advice of an attorney of his/her own choosing; and that no promise or representation of any kind has been made to him/her except as expressly stated in this Agreement.
10. Employee Acknowledges that his/her election to retire and to accept the incentive outlined in this Agreement is entirely voluntary and that he/she has the right to consider this Agreement for a period of forty-five (45) days prior to entering into this Agreement. Employee also understands that he/she has the right to revoke this Agreement for a period of seven (7) days following his/her execution of this Agreement by giving written notice to the Employer's representative, Candace Wilkinson. If Employee revokes the Agreement, it shall not be effective and enforceable and Employee will not receive any of the sums or benefits described in paragraph 3. Further, Employee must report for work at the start of his/her next regular shift on the following work day.
11. The Agreement constitutes the entire understanding and agreements of Employee and Employer, and (except as provided in paragraph 10) can be modified, amended or revoked only by express written consent signed by both Employee and the Employer.

INITIALED: _____
Date: _____

12. Employee acknowledges and agrees that on or before December 16, 1994, he/she received this Agreement and other information complete as to eligibility to accept this Agreement, together with a Retirement Incentive Program Election Form outlining the estimated benefit impact of accepting this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have executed the foregoing General Release and Waiver Early Retirement Incentive Program _____ day of _____.

Witness

Employee

LOCKHEED IDAHO TECHNOLOGIES COMPANY

By: _____

INITIALED: _____
Date: _____

INTERDEPARTMENTAL COMMUNICATION

Date: January 17, 1995

To: All LITCO Employees Eligible for the Early Retirement Incentive Program

From: Tom Heiserman *Tom Heiserman*

Subject: CLARIFICATION CONCERNING EARLY RETIREMENT INCENTIVE
PROGRAM WAIVER PROVISIONS - TEH-012-95

Several questions have been asked about two provisions of the General Release and Waiver form that is required to be signed as a condition of participation in the early retirement incentive program which LITCO is currently carrying out at DOE's request. The following clarification is provided:

1. It is not intended that the release will prevent employees from initiating claims under Idaho's worker compensation law.
2. The confidentiality provisions in the release form are intended to protect against unauthorized disclosure by LITCO or any other entity of the financial details of each individual's retirement package. The general terms and conditions of the release have been widely published and need not be maintained as confidential.

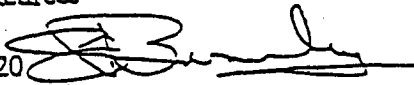
Please contact Candy Wilkinson at 6-0066 if you have any questions.

ck

INTERDEPARTMENTAL COMMUNICATION

Date: January 25, 1995

To: All Prospective Early Retirees

From: S. D. Brumley, MS 1620 

SUBJECT: GENERAL WAIVER AND RELEASE IN VOLUNTARY EARLY
RETIREMENT INCENTIVE PROGRAM - SDB-495

Considerable concern has been expressed concerning the General Waiver and Release that must be signed by participants in the Voluntary Early Retirement Incentive Program. Such waivers are routinely used by companies who offer financial incentives for voluntary retirements in order to "clear the slate" between the Company and departing employees and to protect against frivolous litigation.

However, it is recognized that some individuals may be hesitant to sign the waiver because of specific or unusual circumstances rather than general or philosophical objections to signing the waiver. Those employees are invited to contact the LITCO Legal Office as quickly as possible, before February 1, 1995, and explain their situation. Upon evaluation, if circumstances warrant, limited exceptions or other special alternatives may be arranged.

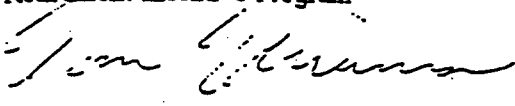
DAL:mlm

cc: T. E. Heiserman, MS 3200
D. A. Love, MS 3591
S. D. Brumley File

INTERDEPARTMENTAL COMMUNICATION

Date: January 31, 1995

To: All Participants in the Early Retirement Incentive Program

From: Tom Heiserman, MS 3200 

Subject: FURTHER CLARIFICATIONS TO GENERAL RELEASE AND WAIVER -
TEH-034-95

Reference: Steven D. Brumley memo to Tom Heiserman, General Waiver and Release in
Voluntary Early Retirement Incentive Program - SDB-4-95, January 25, 1995

As a result of the above referenced memorandum, several concerns have been raised to the LITCO Legal Office concerning the General Release and Waiver that will be required in the Early Retirement Incentive Program. Those concerns have generally fallen into three categories. The following response is provided in clarification of those concerns:

- Exposure to radiation, toxic chemicals or other substances and other workplace related injuries or illnesses generally fall within workers compensation law. The Release and Waiver will not prohibit you from initiating workers compensation claims as a result of such an exposure or injury.
- INEL contractors have not "cashed out" accrued sick leave upon termination of employment. However, if it is determined that LITCO has a legal obligation to pay terminating employees for unused accrued sick leave, the Release and Waiver will not prohibit you from receiving such payments for which you qualify.
- If it is determined that your years of service have been improperly calculated, the Release and Waiver will not prohibit you from receiving increased retirement benefits after the proper amount of service credit has been applied and benefits recalculated.

DAL

STAKEHOLDER MAILING LIST

STATE OF IDAHO

The Honorable Phil Batt
State Capitol Building
700 West Jefferson
P.O. Box 83720
Boise, ID 83720-0034

Steve Hill
INEL Oversight Program
Idaho Department of Health and Welfare
1410 N. Hilton
Boise, ID 83706

Commerce Department
700 W. State St.
Boise, ID 83720-2700
James V. Hawkins, Director
Jay Engstrom - Economic Development
Administration
Jan Blockenstaff - Community Development
Administration

Employment Department
Job Service
Larry Hertling, JTPA
217 Main Street
Boise, ID 83735-0001

Mr. Cal Larson
Job Service
150 Shoup Avenue
Idaho Falls, ID 83402

Idaho Congressional Delegation

The Honorable Helen Chenoweth
U.S. House of Representatives
304 N. 8th, Room 136
Boise, ID 83702

The Honorable Larry E. Craig
U.S. Senate
2539 Channing Way #240
Idaho Falls, ID 83402

The Honorable Dirk Kempthorne
U.S. Senate
2539 Channing Way
Idaho Falls, ID 83402

The Honorable Michael Crapo
U.S. House of Representatives
2539 Channing Way
Idaho Falls, ID 83405

EDUCATIONAL INSTITUTIONS

Dr. Grace Guemple, Director
Eastern Idaho Technical College
1600 South 2500 East
Idaho Falls, ID 83404-5788

Idaho State University

Dr. Richard L. Bowen, President
Idaho State University
Campus Box 8310
Pocatello, ID 83209

Sandra Martin
Idaho State University Resident Center
1776 Science Center Drive
Idaho Falls, ID 83405

University of Idaho

Elisabeth A. Zinser, President
University of Idaho
Moscow, ID 83844

Dr. Fred Rose
Idaho Falls Center for Higher Education
1776 Science Center Drive
P.O. Box 50778
Idaho Falls, ID 83405

Roy Mink, Director
Idaho Water Resources Research
University of Idaho
Moscow, ID 83843

Dr. Fred Gunnerson
University of Idaho
Idaho Falls Center for Higher Education
1776 Science Center Drive
Idaho Falls, ID 83405

Ricks College

President Steven Bennion
Ricks College
Rexburg, ID 83460-4107

Alan Young, Administrator
Idaho Falls BYU/Ricks Center
P.O. Box 50605
Idaho Falls, ID 83405

Ronald W. Campbell
Division of Continuing Education
103 Auxiliary Services Building
Rexburg, ID 83460-8011

School Superintendents

Ron Hill, President
Idaho Association of School Administrators
Idaho School Superintendents Association
P.O. Box 1837
Boise, ID 83701

COUNTY COMMISSIONS

Bingham County
Board of County Commissioners
P.O. Box 1028
Blackfoot, ID 83221

Bannock County
Board of County Commissioners
P.O. Box 4016
Pocatello, ID 83205

Bonneville County
Board of County Commissioners
605 N. Capital Avenue
Idaho Falls, ID 83402

Butte County
Board of County Commissioners
P.O. Box 737
Arco, ID 83213

Clark County
Board of County Commissioners
P.O. Box 1190
Dubois, ID 83423

Custer County
Board of County Commissioners
P.O. Box 385
Challis, ID 83226

Jefferson County
Board of County Commissioners
P.O. Box 275
Rigby, ID 83442

Madison County
Board of County Commissioners
P.O. Box 389
Rexburg, ID 83440

CITY OF IDAHO FALLS

Mayor Linda Milam
City of Idaho Falls
P.O. Box 50220
Idaho Falls, ID 83405

Mr. Fred Sica, Executive Director
Idaho Falls Chamber of Commerce
P.O. Box 50498
Idaho Falls, ID 83405

CITY OF POCATELLO

Mayor Peter Angstadt
City of Pocatello
P.O. Box 4169
Pocatello, ID 83205

Bryan Yowell
Pocatello Chamber of Commerce
P.O. Box 626
Pocatello, ID 83204

CITY OF BLACKFOOT

Mayor Scott Reese
City of Blackfoot
157 N. Broadway
Blackfoot, ID 83221

Nancee Peterson
Blackfoot Chamber of Commerce
P.O. Box 801
Blackfoot, ID 83221

CITY OF REXBURG

Mayor Nile Boyle
City of Rexburg
P.O. Box 280
Rexburg, ID 83440

Rexburg Chamber of Commerce
134 E. Main, No. 1
Rexburg, ID 83440

CITY OF ARCO

Mayor Charles Jones
City of Arco
P.O. Box 196
Arco, ID 83213

Lost River Valleys Chamber of Commerce
P.O. Box 837
Arco, ID 83213

Clay Condit
Arco Community Transition Team
Box 16
Arco, ID 83213

SHOSHONE-BANNOCK TRIBES

Brett Hayball, INEL Liaison
Shoshone-Bannock Tribes
P.O. Box 306
Fort Hall, ID 83203

UNIONS

T. L. Perez, President
Oil, Chemical, and Atomic Workers
International Union, Local 2-652
P.O. Box 50659
Idaho Falls, ID 83401-0659

Randy Olaveson, President
Amalgamated Transit Union,
Division 1517
P.O. Box 2286
Idaho Falls, ID 83401

Tom Biscup
Laborer's International
905 16th Street N.W.
Washington, D.C. 20006

Steve DeMott, Vice President
Amalgamated Transit Union, Division 1517
P.O. Box 2286
Idaho Falls, ID 83401

Mike Oar, Union Steward
Teamsters Union Local 983
P.O. Box 1085
Pocatello, ID 83201

Steve Jensen, Business Agent
Teamsters Union Local 983
P.O. Box 1085
518 E Center
Pocatello, ID 83201

Kevin Hulse, President
United Plant Guard Workers
of America, Local #3
10316 N. 25 E.
Idaho Falls, ID 83401

R. D. Maynard, President
Idaho Building & Construction
Trades Council
556 West Center
P.O. Box 1120
Pocatello, ID 83204

Robert E. Wages, President
Oil, Chemical, and Atomic Workers
International Union AFL-CIO
P.O. Box 281200
Lakewood, CO 80228-8200

OTHER INEL CONTRACTORS - Human Resources Department

Mr. Terry Frye, Human Resources
Westinghouse Electric Corporation
Naval Reactors Facility
P.O. Box 2068
Idaho Falls, ID 83403-2068

Mr. M. F. Janeczko, Human Resources
Argonne National Laboratory
P.O. Box 2528
Idaho Falls, ID 83402-2528

OTHERS

Mr. Dan Cudaback, President
Initiative 2000
591 Park Ave.
Idaho Falls, ID 83402

Steve Ahrens
Idaho Association of Commerce
and Industry
P.O. Box 389
Boise, ID 83701

Mr. Ken Erickson
Idaho Innovation Center
2300 N. Yellowstone Highway
Idaho Falls, ID 83401

Lynn Mineur, President
Moscow League of Women Voters
514 E. Morton
Moscow, ID 83843

Robert Chambers, Director
Small Business Development
1651 Alvin Ricken Road
Pocatello, ID 83201

Don Smith, President
Snake River Alliance
P.O. Box 1713
Boise, ID 83701

Chicago Operations Office
c/o Faith Oligschlaeger
9800 S. Cass Avenue, Building 201
Argonne, IL 60439

EM SSAB-INEL
c/o Jason Associates, Corp.
591 Park Ave., Suite 202
Idaho Falls, ID 83402

Mr. Terry Fowler
25510 Kelly Road
Roseville, MI 48066

Tom Arnold
Bannock Development Corporation
1651 Alvin Ricken Drive
Pocatello, ID 83201

IDAHO MEDIA - Covering INEL on a regular basis

Idaho Falls Post Register
P.O. Box 1800
Idaho Falls, ID 83403

KLCE Radio
P.O. Box 699
Blackfoot, ID 83221

Idaho State Journal
P.O. Box 431
Pocatello, ID 83201

KUPI Radio
854 Lindsay Boulevard
Idaho Falls, ID 83402

The Idaho Statesman
P.O. Box 40
Boise, ID 83707

KID Radio
1655 S. Woodruff
Idaho Falls, ID 83404

The Morning News
P.O. Box 70
Blackfoot, ID 83221

KADQ Radio
P.O. Box 66
Rexburg, ID 83440

Twin Falls Times-News
P.O. Box 548
Twin Falls, ID 83303

KIFI-TV, Channel 8, NBC
P.O. Box 2148
Idaho Falls, ID 83403

Rexburg Standard-Journal
P.O. Box 10
Rexburg, ID 83440

KIDK-TV, Channel 3, CBS
P.O. Box 2008
Idaho Falls, ID 83403

The Associated Press
P.O. Box 1187
Boise, ID 83701

KPVI-TV, Channel 6, ABC
P.O. 667
Pocatello, ID 83204

Arco Advertiser
P.O. Box 803
Arco, ID 83213

KRIC Radio (Nat'l Public Radio affiliate)
Spori Building
Ricks College
Rexburg, ID 83440

The Sho-Ban News
P.O. Box 900
Fort Hall, ID 83203

KBSU Radio
1910 University Drive
Boise State University
Boise, ID 83725

MEDIA - Covering INEL on a sporadic basis

KAID-TV, Channel 4, PBS
1910 University Drive
Boise State University
Boise, ID 83725

KBCI-TV, Channel 2, CBC
P.O. Box 2
Boise, ID 83797

KTVB-TV, Channel 7, NBS
P.O. Box 7
Boise, ID 83707

KIVI-TV, Channel 6, ABC
1866 East Chisholm Drive
Nampa, ID 83687-6899

KMVT-TV, Channel 11, Boise
1100 Blue Lakes Boulevard North
Twin Falls, ID 83302

Idaho Mountain Express
P.O. Box 1013
Ketchum, ID 83340

The Morning Tribune
P.O. Box 957
Lewiston, ID 83501

The Daily News
P.O. Box 8187
Moscow, ID 83843

The South Idaho Press
P.O. Box 190
Burley, ID 83318

The Idaho Press Tribune
P.O. Box 9399
Nampa, ID 83652

The Wood River Journal
P.O. Box 988
Hailey, ID 83333

APPENDIX B

DRAFT VOLUNTARY SEPARATION PAYMENT PROGRAM **GENERAL RELEASE AND WAIVER**

This Voluntary Separation Payment Program, General Release and Waiver ("Agreement") is entered into by and between _____ ("Employee") and _____ ("Employer"), as part of Employee's voluntary election to terminate employment with the Employer.

IN EXCHANGE FOR THE PROMISES SET FORTH BELOW, THE PARTIES AGREE AS FOLLOWS:

1. Employee voluntarily terminates his/her employment with Employer effective _____. Employee agrees that, absent the express written authorization of the U.S. Department of Energy, s/he will not seek employment with or become employed at the _____ Site by the Employer or any other future or current contractor or subcontractor at the Site for a period of ____ year(s) from the date of Employee's resignation. This includes but is not limited to temporary employment service contracts, general task order assignments, indefinite quantity contracts, basic ordering agreements, and consultant contracts. However, this does not preclude Employee from employment with a company providing supplies, equipment, materials, or commodities to the Site under a fixed-price contract or purchase order. Neither does it preclude employment for non-INEL related work with a contractor or subcontractor at the INEL site.
2. Employee agrees that the Employer has no obligation to reemploy Employee in the future. Employee waives all rehire preference rights, including but not limited to, those that may arise under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993. Employee agrees to perform all steps required by Employer's policies and procedures at the separation of his/her employment.
3. Except as set forth in paragraph 4 below, Employee, on behalf of himself/herself and any person or entity entitled to sue on Employee's behalf, waives and releases Employer, its parents, subsidiaries, and affiliates, the Department of Energy, and their employees, officers, directors, shareholders, agents, and successors from any causes of action or claims, whether known or unknown, that arise out of the Employee's resignation and separation of employment with Employer and any causes of action or claims that arise out of Employee's employment with Employer, up to and including the date of Employee's resignation, under any federal, state or local law, including but not limited to the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act of 1990, Title VII of

the 1964 Civil Rights Act, the Equal Pay Act, the Family and Medical Leave Act, the Employee Retirement Income Security Act, and the Americans with Disabilities Act, or applicable state or local law. Employee will not assert any claim or cause of action released under this agreement in any administrative or judicial proceeding.

4. **HOWEVER, Employee does not waive:**

- (i) any causes of action or claims that arise out of Employee's employment with Employer, up to and including the date of Employee's resignation, that have been asserted in writing and filed with the appropriate agency or court prior to [the date on which this Program was announced],¹
- (ii) any rights or claims that may arise after the date this Agreement is executed,
- (iii) any claims relating to pension or retiree health benefits that currently may be accrued under the Company's standard retirement program,
- (iv) any claims under any applicable state worker's compensation laws, or
- (v) any claims for occupational injuries or illnesses arising from Employee's employment with Employer that are not known or reasonably knowable by the Employee at the time of the execution of this Agreement.

5. In exchange for Employee's voluntary separation and execution of this Agreement, Employer will give Employee the consideration and benefits outlined in the description attached to this Agreement [The identification number or other designation for the document describing the benefits constituting consideration for this Agreement should be inserted at this point]²

6. If Employee becomes employed as prohibited in paragraph 1 or otherwise violates any provision of this Agreement, then, in addition to any other remedies Employer has under this Agreement, Employer may require Employee to repay payments or other benefits under this Agreement, and Employee agrees to such repayment.

7. Employee has been advised to consider this Agreement and to consult with an attorney of his/her choice, and Employee has had the opportunity to do so. Employee has had the right to consider this Agreement for a period of at least forty-five (45) days prior to entering into this Agreement. Employee has the right to revoke this Agreement for a period of seven (7) days following execution of this Agreement by giving written notice to the local Human Resources

representative. If Employee revokes the Agreement, it shall not be effective and enforceable and Employee will not receive any of the benefits described in paragraph 5. Employee has read and understands the terms and contents of this Agreement, and Employee freely, voluntarily, and without coercion enters into this Agreement and agrees to be bound by its terms.

8. This Agreement constitutes the entire understanding and agreement of Employee and Employer and can only be modified in writing agreed to by both parties.
9. Employee has received all of the information required to be disclosed in these circumstances under the Age Discrimination in Employment Act regarding who is covered by the Program, the eligibility factors, the time limits of the Program, the ages and job titles of everyone eligible for the Program, and the ages of ineligible employees in the same job classification or organizational unit.

PLEASE READ THIS AGREEMENT CAREFULLY. IT CONTAINS A RELEASE OF KNOWN³ AND UNKNOWN CLAIMS AS DESCRIBED IN PARAGRAPH 3, ABOVE, SUBJECT TO THE LIMITATIONS EXPRESSLY SET FORTH IN PARAGRAPH 4.

Agree to:

Employee/date

[Employer]/date

1. The issuing organization should insert at this point a specific date on which the Separation Program involved was first announced. In determining this date, the issuing organization should consider the specificity of information provided to the public in work force restructuring plans issued pursuant to Section 3161, as well as the announcement of the individual separation program involved.
2. When this Agreement is used in association with early retirement programs, the following language should be added here: "Employer reserves the right to provide equivalent benefits in another form in the unlikely event that any aspect of the Program is improper under law."
3. Counsel should check to be sure that this aspect of the Model Release fully comports with applicable state or local law.

APPENDIX C

SUBCONTRACT CLAUSE

(Beginning of Clause)

HIRING REQUIREMENTS UNDER SECTION 3161 OF THE NATIONAL DEFENSE AUTHORIZATION ACT (FY 1993), P.L. 102-484

- (A) The FY 1995-1997 Work Force Restructuring Plan ("Restructuring Plan") for the Idaho National Engineering Laboratory (INEL) provides that where practicable, current and former INEL employees who meet Restructuring Plan eligibility requirements and who are qualified or qualifiable in accordance with subparagraph (D) of this clause (hereafter "eligible employees" or "eligible former employees") are entitled to receive hiring benefits for vacant employment positions other than supervisory or management positions. When required by the Restructuring Plan, the Contractor shall comply with the following hiring requirements:
- (1) Eligible employees who have been identified by DOE-ID INEL contractors for involuntary separation shall be given a placement preference for vacant employment positions before application of the hiring preference described in subparagraph (A)(2) of this clause.
 - (2) Eligible former employees shall be given a hiring preference for vacant employment positions after application of the placement preference described in subparagraph (A)(1) of this clause. Application of the hiring preference shall be in accordance with the following priority:
 - (a) Former regular full-time INEL employees who meet preference eligibility requirements shall have first priority;
 - (b) Former regular part-time INEL employees who meet preference eligibility requirements shall have second priority; and
 - (c) Former employees from other Department of Energy sites who meet preference eligibility requirements shall have third priority.
- (B) Offers of employment made in accordance with the requirements of this clause (1) shall be made in writing; (2) shall be consistent with INEL seniority or seniority requirements contained in M&O collective bargaining agreements, where applicable; and (3) shall remain open for a period of at least ten (10) calendar days from the date of receipt of such

offer by the eligible employee. The Contractor shall make no offers of employment under this contract to others until the hiring requirements described in this clause have been implemented.

- (C) In meeting its obligations under this clause, the Contractor shall be guided by the provisions of the Restructuring Plan, the Department of Energy's planning guidance for contractor work force restructuring, and such further guidance as may, from time to time, be provided. The Contractor shall develop a hiring plan consistent with these requirements, and the Contractor's compliance with the requirements of this clause shall be documented in writing. Copies of compliance documentation shall immediately be made available for review and copying when requested, and shall in any event be provided to the Department of Energy Idaho Operations Office (DOE-ID) on a quarterly basis.
- (D) Up to sixty (60) calendar days of occupational skill training shall be provided if the training will result in an eligible employee qualifying for an open position by the date the work is to begin.
- (E) The Contractor is not obligated to provide hiring benefits to employees who have been (1) terminated for cause from employment; (2) voluntarily separated from employment (other than to take a position with a contractor or subcontractor pursuant to a privatization or outsourcing initiative), including separation pursuant to a voluntary separation program or early retirement program; (3) terminated from employment as a direct result of the normal completion of a contract; or (4) terminated from employment in accordance with a contractor's normal policies as a result of business decisions unrelated to a change in the work force directed by DOE-ID. In addition, the Contractor is not required to delay hiring in order to meet its obligations under this clause if the delay in hiring will negatively impact the Contractor's ability to satisfactorily meet the terms of the contract and the need for immediate hiring is not due to the fault or negligence of the Contractor.
- (F) The requirements of this clause shall be included in all lower tier subcontracts which have a subcontract price which exceeds \$500,000 including options, to be performed at an INEL facility, except subcontracts for the purchase of supplies, equipment or property.
- (G) This clause does not excuse the Contractor or a subcontractor from compliance with any conflicting applicable law, contract, or collective bargaining agreement, and such conflicting law, contract, or collective bargaining agreement shall be controlling. This clause is not intended to create rights or obligations for the benefit of third parties or persons.

(End of Clause)

APPENDIX D

STATEMENT OF INTEREST IN MAINTAINING SECTION-3161 EMPLOYMENT ELIGIBILITY

Name: _____

Social Security Number: _____

Address: _____

Telephone No. (____) _____

Date of Lay-off resulting from Work Force Restructuring: _____

Company: _____

I hereby request that my name be placed, or retained, on the Section 3161 Preference in Hiring List for the INEL and be considered for any job opportunities that may arise for which I am qualified at this or any other Department of Energy site. I also certify that I have been terminated for cause from employment by a Department of Energy Contractor or Subcontractor while performing work at a Department of Energy site.

Signature

Date

Yes, please place my resume on JOBBS.

Signature

Date

I am am not willing to relocate from the region. _____.

I no longer desire that (or am eligible for) my name be maintained on the Section 3161 Preference in Hiring List and request my name be removed.

Signature

Date

This request will be valid for 6 months from the above signature unless you provide prior written renewal of the request.